GOVERNMENT OF INDIA

MINISTRY OF FINANCE

BUDGET FOR 1954-55

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PART I.—RAILWAY BUDGET

Speech of Shri Lal Bahadur Shastri, Minister for Railways and Transport introducing the Railway Budget for 1954-55.

Sir, I rise to present to the House, the Budget for the Indian Railways for the year 1954-55. As on the last occasion, a text of my speech in Hindi will be supplied to Hon'ble Members along with the budget papers which also include a Hindi translation of "the Budget of the Railway Revenue and Expenditure of the Central Government for 1954-55."

2. I shall first report the financial position of the Indian Railways as disclosed in the completed accounts for 1952-53. The actual gross traffic receipts and ordinary working expenses for the year were Rs. 270·56 crores and Rs. 187·96 crores against the revised estimates of Rs. 269·55 crores and Rs. 188·85 crores respectively. After allowing for contribution to the Depreciation Reserve Fund and payments of miscellaneous expenditure and Dividend to General Revenues, the actual net surplus stood at Rs. 13·19 crores against the revised estimate of Rs. 9·48 crores. A sum of Rs. 12·00 crores out of the surplus was appropriated to the Railway Development Fund and the balance of Rs. 1·19 crores to the Revenue Reserve Fund.

3. I shall now deal with the Revised Estimates for the current year. The total gross receipts are now estimated at Rs. 272·00 crores compared with the Budget Estimates of Rs. 272·28 crores. The small reduction of Rs. 28 lakhs is due to a difference in the method of estimating and does not portend any change in the anticipated trend of either passenger or goods earnings that I had assumed at the time of presentation of the last budget.

4. The original estimate of Working Expenses, *viz.*, Rs. 190·99 crores is, however, expected to go up by Rs. 6·64 crores to Rs. 197·63 crores. This increase is mainly due to the implementation of the recommendations of the Gadgil Committee to treat 50 per cent. of the Dearness Allowance paid to the employees as pay and to the increased diversion of coal by sea for the Southern, Central and Western Railways to enable more coal and other commodities to be moved by rail in response to industrial and other public requirements. The former accounts for an extra expenditure of Rs. 3·15 crores, and the

latter for an increase of Rs. 1·39 crores. The balance is attributable to increased provision required for protection works against flood damages, for additional temporary works for the Kumbh Mela and for increased repairs and maintenance of rolling stock, machinery and electric installations. As a result, the surplus for the current year will now stand at Rs. 3·18 crores as against Rs. 9·31 crores estimated in the Budget.

5. I shall now come to the Budget Estimates for the year 1954-55. In framing these estimates I have had to allow for certain financial and accounting changes, which are proposed to be introduced on the Railways with effect from 1st April, 1954. As Hon'ble Members may recall, following the regrouping of Railways, certain inter-zonal and inter-departmental adjustments in accounts were done away with. Last year during the Railway Budget discussions, several Hon'ble Members expressed concern regarding the effects of the changes and desired to retain as before the picture of the financial results of individual railways unimpaired. In consultation with the Comptroller and Auditor General, it has now been decided to restore in essence the earlier procedure under which railwaywise financial and operating results will be available. Each Railway Administration will henceforth be in a position to make a comparative assessment of its own financial results and economics of working. The Budget Estimate for the year 1954-55 has been prepared after taking these changes into account.

6. The estimates of passenger earnings for 1954-55 have been placed at Rs. 101·51 crores, which is only nominally higher than the Revised Estimates, but slightly lower than the original estimates for the current year. A certain amount of decrease has to be allowed for, as the additional earnings due to the Kumbh Mela will not be available in the next year. The acquisition of the Barsi Light Railway from 1st January, 1954 and the slightly better prospects in view of the fairly good monsoon and favourable agricultural season are, however, anticipated to bring in increased passenger earnings.

7. As regards goods earnings, there are reasons to be more optimistic on account of the increasingly encouraging trends of industrial production. During the first nine months of 1953, the average general index of production was 133·8 representing a rise of 5·4 per cent. over the corresponding figure for 1952. The forecast of agricultural production is also reassuring. The tonnage of goods carried during the first six months of the current year, both on the Broad Gauge and the Metre Gauge,

has recorded a slight improvement over the corresponding period of 1952-53. I have, therefore, placed goods earnings at Rs. 148·6 crores, which is only one per cent. higher than the Revised Estimates for 1953-54.

8. The overall estimate for gross receipts has thus been placed at Rs. 273·25 crores against Rs. 272·0 crores in the Revised Estimates for 1953-54.

9. The Budget Estimates for Ordinary Working Expenses for 1954-55 have been placed at Rs. 194·31 crores, being Rs. 3·32 crores lower than the Revised Estimates for the current year. The decrease is due partly to credits for freight charges on stores used on works, and partly to reduced provision for repairs and maintenance and for special items like the Kumbh Mela and the diversion of coal by sea. There are other minor factors contributing to the decrease which are, however, offset by the provision for annual increments to the staff, which cost the Railways nearly a crore of rupees every year.

10. The appropriation to the Depreciation Reserve Fund is proposed to be maintained at the same level as in the current year, *viz.*, Rs. 30 crores. After providing for a net miscellaneous expenditure of Rs. 8·08 crores and a dividend of Rs. 35·50 crores to the General Revenues, the surplus expected to accrue in 1954-55 is placed at Rs. 5·14 crores.

11. Hon'ble Members will have noticed the trend of continued increase in the working expenses of the Railways and the progressive diminution of the Railway surplus. The steep fall in the passenger traffic of the Railways which occurred in the year 1952-53 has, I hope, been halted and although there has been a slow improvement of the position, I cannot see, in the present conditions, any indications to expect in the near future, a marked spurt in passenger traffic. At the same time working expenses have been going up owing to factors over which we have but little control. The Budget Estimates for 1954-55 show an increase of nearly Rs. 50 crores over that for 1948-49. Except for a sum of Rs. 10 crores which is due to the taking over of the State Railways, the bulk of this increase is attributable to the liberalisation of benefits to staff. The fuel bill accounts for an increase of about Rs. 7 crores. This is consequent on expansion of services to meet the demands of traffic.

12. I shall now turn to the estimates for Works, Machinery and Rolling Stock. The Revised Estimate for the current year is being placed at Rs. 77·88 crores against the Budget Estimate

of Rs. 76·61 crores, involving a reduction of Rs. 1·63 crores. Before coming to the Budget Estimates, I would briefly refer to the progress made under the First Five Year Plan. During the first two years, *viz.*, 1951-52 and 1952-53, the Railways actually spent a sum of Rs. 131·04 crores and a sum of Rs. 77·88 crores is likely to be spent during the current year. This leaves a balance of Rs. 191·08 crores out of the Rs. 400 crores allocated to the Railways in the Plan. Arrangements have been made to step up expenditure on works and also to increase the procurement of rolling stock during the remaining two years of the Plan so as to ensure our reaching the target. Hon'ble Members will find included amongst the Budget papers a booklet dealing with the developmental works carried out during the first two years of the Plan and such other works as are proposed to be carried out during the remainder of the Plan period.

13. The House will be interested to have some details regarding the progress of developmental works budgetted for during the current year. Hon'ble Members will recall that the construction of five new lines was proposed to be taken in hand during the current year. Out of these, satisfactory progress is being made on the construction of Champa-Korba line. Work on Gandhidham-Kandla link has already commenced. The work on Khandwa-Hingoli, Gop-Katkola and Gua-Manoharpur lines is expected to start in the near future.

Among other constructions, Chunar-Robertsganj line is being shortly opened for goods traffic and is expected to be ready for passenger traffic by May, 1954. The diversion of the Railway line *via* Chandigarh, the new Capital of the Punjab, has been completed, as also the Budni-Barkhera double line. A portion of Sanganer Town—Toda Rai Singh Extension, *viz.*, from Sanganer to Tordi Sagar, has been completed and opened for traffic. The Madhepura-Murliganj line is expected to be completed during 1954-55. Out of the 96 miles of Quilon-Ernakulam Railway, the Ernakulam-Kottayam Section, 37 miles long, is expected to be opened for traffic in 1955.

Arrangements for collection of materials and equipment required for the construction of the Ganga Bridge at Mokameh and the ancillary training works have also been completed.

As regards the dismantled lines, the following have been restored during the current year :—

(i) Shoranur-Angadipuram (part of Shoranur-Nilambur).

(ii) Vasad-Kathana.

(iii) Balamau-Madhoganj (part of Unao-Madhoganj).

(iv) Madura-Usilampatti (part of Madura-Bodinayakanur).

In addition, the restoration of Nagrota-Jogindernagar and Bhagalpur-Mandarhill branches has been almost completed and they will be opened for traffic shortly.

14. The Budget Estimates for the year 1954-55 in regard to Works, Machinery and Rolling Stock of Railways have been placed at Rs. 95·00 crores, including works chargeable to Revenue. This represents an increase of about 17 crores over the revised estimates for the current year. The total provision for Works, including new constructions and construction of staff quarters, is Rs. 37·64 crores. The provision for Rolling stock is Rs. 52·58 crores. Provision has also been made for a sum of Rs. 1·20 crores for investment in road services.

15. The Budget Estimates for Works provide for an increased outlay of about 17 per cent. over the revised estimates for 1953-54 and about 44 per cent. over the actuals for 1952-53. A limit to the execution of schemes included under these works is set by the shortage of materials, particularly rails and sleepers. Steps have recently been taken to augment the supply of rails by imports, and the budget estimates have been framed accordingly.

16. The provision made for rolling-stock reflects a heavier programme for procurement than has been usual in the past. Hon'ble Members are aware that orders for a large number of locomotives have been placed abroad recently to accelerate the rehabilitation of the Railways. In order to appreciate the urgency for procurement from the point of view of our power position, Hon'ble Members should remember that during the five years period ending 31st March, 1956, about 1,000 locomotives will become overage in addition to a considerably larger number of overage locomotives which existed at the time of the commencement of the Five Year Plan. As a result of the measures that have been taken, it is expected that a total number of about 1,600 new locomotives will be received during the Plan period. This should result in an overall improvement in the power position of the Railways.

It is only appropriate that I should acknowledge here the assistance received by us from Canada under the Colombo Plan for a supply of 120 broad gauge passenger locomotives

and from the Government of the United States under their Foreign Assistance Programme for another supply of 100 broad gauge locomotives.

17. In the plan for increased procurement the objective of utilising indigenous resources to the maximum extent continues to guide and regulate all orders placed in accordance therewith. It is my intention to step up the production target of the Chittaranjan Locomotive Works from 120 to 150 and thereafter to 200 of average sized locomotives in the course of the next four years through the introduction of such measures as judicious multi-shift working, additional equipment and training of more skilled staff. The target of the Tata Locomotive and Engineering Company is 50 locomotives a year. They have hitherto produced and delivered 50 locomotives in all, but they are expected to reach their target in 1954-55.

18. As regards wagons, practically all the increased procurement has been planned on indigenous production. In previous years the installed capacity was assumed to be about 7,800 wagons per annum. Owing to the prospect of increased off-take in the next 5 years new manufacturers have come into the field and established manufacturers have agreed to expand their production capacity. In view of this, orders for about 11,000 wagons will be placed against the 1954-55 programme with the manufacturers in India. I should also add here that we expect to receive 5,000 wagons under the Foreign Assistance Programme of the Government of the United States.

19. In my budget speech last year, I had informed the House that no new orders for passenger coaches are being placed abroad. The same policy is being pursued this year. The capacity of the Hindustan Aircraft Limited and our workshops has been stepped up to meet our requirements. The construction of the Integral Coach Factory at Perambur to manufacture passenger coaches is making satisfactory progress. It is expected that coach body-shells will start coming out of this factory during the second half of 1955.

20. I have decided to set up a Committee to advise how the manufacture of certain special type wagons, Narrow Gauge Locomotives and other stock and fittings, which are still being imported, can be established in the country. The findings of the Moolgaonkar Committee set up by the Minister for Commerce and Industry show that considerable idle capacity exists in the Engineering industry, and this seems to be a

suitable moment for an investigation as to how far this idle capacity can be used to make the country self-sufficient in the matter of production of railway materials and rolling stock. It is expected that Indian industry will rise to the occasion and take to the manufacture of specialised Railway items in increasing numbers. The possibility of making full use of the Railway Workshops in this connection is also being referred to two senior railway officers for examination.

21. The House is already aware that a number of new major works are under construction. It is proposed to concentrate on the execution of the works already in hand instead of undertaking new major works in 1954-55 as it is more economical to complete expeditiously the works in hand. There is also the danger that a large number of new major projects may lock up money and result in diversion of material and equipment which may delay completion of all other works. All the same, certain new major works will be undertaken in the Budget year. A major project that has been included is the electrification of the suburban services in the Calcutta area and I have decided that the work on the electrification of the Howrah-Burdwan main line section of the Eastern Railway should be commenced forthwith. Provision has also been made to expedite the traffic survey for a rail connection to Garo Hills in Assam, in order that the final location survey may also be taken up during the budget year. In addition, the construction of the Pathankot Madhopur Broad Gauge line, 7·06 miles in length, is proposed to be undertaken to facilitate movement to Jammu and Kashmir State. The line is estimated to cost about Rs. 35 lakhs.

22. We have under consideration a few proposals for new constructions. Surveys for these were arranged to be undertaken in the current year. One of these is the proposed Indore-Ujjain Broad Gauge line. The others are the rail connection to Etah, the Mangalore-Hassan, Diva-Dasgaon, Teldanga-Khajuria-Malda, Bhavanagar-Tarapur and the Fatehpur-Churu lines. The question of providing electrification for the operation of the Quilon-Ernakulam line is also under consideration. Extension of electrification to Tambaram Villupuram section of the Southern Railway is also receiving attention. The survey reports for a few have been received while others are still to come. Decisions regarding the construction of these projects must be deferred till all the survey reports have been received and examined. Should it be found possible to commence, consistent with the availability of finance and

materials, the construction of any more new lines during 1954-55, I shall not hesitate to come to the House with a Supplementary Demand in connection therewith.

23. I shall now turn to another class of open line works included in the estimates for the Budget year relating to augmentation of line capacity. Certain sections have during recent years become so congested that they are unable to cope with the current and anticipated traffic. The line capacity of these sections can be improved by doubling the lines, building more crossing stations, extending loops, improving the standard of signalling and interlocking and by creating additional facilities in marshalling and transhipment yards. The provision for certain major works which come in this category of open line works, included in the budget for 1954-55 is Rs. 3·3 crores as against Rs. 2·1 crores in the budget for the current year. Works for the purpose of augmenting line capacity are being or will be undertaken during the year on the following important sections :—

(i) Siliguri-Alipur Duar section of the Assam Rail Link, the capacity of which is proposed to be more than doubled from 160 to 350 wagons per day.

(ii) Bezwada-Madras Section of the Southern Railway on which a sum of Rs. 4 crores is being spent, including Rs. 80 lakhs for the remodelling of the Bezwada yard and Rs. 2·09 crores for the conversion of Gudur-Renigunta Section from metre gauge to broad gauge. The capacity of the section will be increased from 300 to 420 wagons per day.

(iii) Central India Coalfields *via* Katni-Marwara, where movement will be stepped up from 265 to 350 wagons per day.

(iv) *Via* Chheoki on to the Central Railway, where movement is proposed to be increased from 190 to 240 wagons per day.

(v) Raichur-Arkonam Section, for running additional goods trains.

(vi) Anara-Jaychandi Pahar-Burnpore section and Sini-Gomharria section, the doubling of which is being carried out, for the movement of raw materials for increased production of steel.

24. During the current financial year, the Railways are spending nearly Rs. 4 crores on construction of staff quarters and a provision of Rs. 4·60 crores has been made in the budget for the next year. The total provision made in the budget on staff quarters and staff amenities is Rs. 5·84 crores.

25. The House is aware that a committee was set up in 1949 to review the convention relating to the separation of Railway Finance from General Finance. As a result of the recommendations of the Committee, the Constituent Assembly of India (Legislative) passed a resolution defining, *inter alia,* the relationship between Railway Finance and General Finance and prescribing for a period of five years commencing from 1950-51 an annual dividend payable to General Revenues at 4% on the Capital invested in Railways. The resolution laid down that a Committee of the House shall review the rate of dividend towards the end of the aforesaid period and suggest for the years following it, any adjustment considered necessary, having regard to the revenue returns of the undertaking, the average borrowing rate of the Government and any other relevant factors I shall, therefore, be inviting the House in this session to set up a committee to go into the matter.

26. I have endeavoured to indicate broadly to the House the principal features of the developmental programme during the budget year. Although we are doing our best to improve and extend rail transport facilities in the country, I am aware that much more needs to be done. Considering the vast areas in our country which are awaiting economic exploitation through the introduction of satisfactory transport facilities, I feel it is necessary to adopt a bold policy of development and expansion of the railways. The prospects of any fresh financial resources are none too bright. As a result of factors which have increased working expenses, there is likely to be a shortfall in the amount which the Railways are expected to find from their own resources for the execution of the Five Year Plan. Against a sum of Rs. 320 crores to be contributed by the Railways towards the resources of the Plan, the contribution for the first three years is likely to be Rs. 165 crores only, and, it is estimated that there will be a shortfall of about Rs. 60 crores. Also, there are certain other factors which may lead to further increase in Working Expenses. I am examining in the above context the implications and practicability of certain suggestions for adjustments in our fare and freight rate structure which, it is claimed, are necessary for a developmental economy.

Then there is the need for maintaining and if possible accelerating the pace of construction of new lines. The present high levels of cost of material and labour involve unremunerative investment at least for some time to come. The balances in the Development Fund are rapidly dwindling. How are these new constructions going to be financed? The only way in which such construction seems to be possible is to provide for a recovery of charges on the basis of inflated mileage for a limited period so that the projects may not be financially burdensome. This device may also profitably be adopted in cases where a shorter route is provided reducing the cost of transportation substantially, the whole of which need not be passed on to the consumer.

27. Owing to a large reduction in the bulk and long distance movements of imported food grains from the Ports and less haulage of railway coal, there was a decrease in the net ton-miles on Broad Gauge system during 1952-53. This directly had an adverse effect on the returns of goods traffic with the result that the composite index of efficiency for the Broad Gauge Railways dropped from 102·6 in 1951-52 to 101·7 in 1952-53. There was, however, an improvement in the number of passenger and goods trains run and in the wagons and overall locomotive haulage. There was an improvement in almost all aspect of performance on the Metre Gauge Railways and the composite index of efficiency rose from 93·3 in 1951-52 to 95·9 in 1952-53.

The punctuality of trains further improved during 1953 and the percentage of trains not losing time has been 81·9 in the first nine months of 1953 as against 80 in the corresponding period of the previous year, and on the Metre Gauge system, it was 81·4 in 1953 against 80·6 in 1952.

The resources of all the Railways were pooled to make arrangements for the Prayag Kumbh Mela, and 374 Special Trains were run to Allahabad area to cope with inward Mela traffic and 344 Specials were run to clear the Mela traffic up to 6th February, 1954. In addition, 510 Shuttle trains were run within the Mela area to facilitate local movement of pilgrims.

A revised procedure for arranging movements in an order of preference for various commodities was introduced in August, 1953. While ensuring planned movements for essential commodities, it was intended to provide movements for all commodities in varying quantities as may be necessary in the interests of local economy of the areas served. The procedure has so far worked satisfactorily.

28. Hon'ble Members will recollect that it was proposed to create an Efficiency Bureau in the Railway Board for the purpose of studying operation, workshop, marshalling yard and other statistics with the object of improving progressively efficiency and economy on Indian Railways. The setting up of this Bureau had to be deferred, as it was felt that some time should be allowed for the Railways to settle down after Regrouping. This Bureau has now been set up for investigating and eliminating outmoded and costly practices and for evolving suitable techniques for efficiency measurements in diverse fields of railway operation and management.

One of the reasons which affected performance is the delay at various changing and transhipment points. Wagons start from the originating stations at the due time but they are held up on the way. I have arranged that the Efficiency Bureau, assisted by a senior Railway Officer, will make an investigation into this specific question and make recommendations for reducing these delays to the minimum.

29. Last year, I said, I would make available to Hon'ble Members a review of the working of the regrouped Railways. I have accordingly arranged to circulate along with the budget papers a pamphlet presenting this review and certain statistics of operation. The data available, however, are only for a limited period and do not permit of reliable comparisons being made. It is, therefore, difficult to make a correct assessment of the position on the basis of the facts and figures now available, and some more time, it seems, must elapse before we could be in a position to do so. The reorganised Railways must of course measure up to the usual standards of performance.

30. We have been, for the past several years, adhering to a systematic policy and programme of improving amenities for passengers. In the budget year it is my intention to see that more of these amenities are provided at the smaller and wayside stations. In order to implement this, the Railways have drawn up a detailed scheme to be given effect to within a prescribed period. Platform facilities are being improved at nearly 500 stations by lengthening and raising of existing platforms, better surfacing, providing cover, etc. Waiting facilities are being augmented and improved at nearly 300 stations. More than 100 stations are being electrified and lighting at 100 other stations is being improved. Foot over-bridges are being provided at about 35 stations.

The House will recollect that last year I had appointed a Committee of Senior Officers to study the travel conditions and passenger amenities on the ex-Assam Railway portion of the North Eastern Railway. A sum of Rs. 5 lakhs more than the usual share has been allotted to this Railway during 1954-55 so as to enable them to start implementing straightaway the recommendations of this Committee so far accepted.

31. It has been my consistent endeavour to associate public opinion wherever public interests are concerned. A Passenger Amenities Committee has been set up on each Railway in order to examine and lay down the order of priority for executing works relating to amenities. The Committee is essentially a representative body consisting of non-officials as well as railway officials.

32. The House is already aware of the steps taken by the Railways to improve the standards of comfort and convenience for the lower class passengers. With the abolition of First Class, it has been possible to increase and improve lower class accommodation. I am glad to state that the fears entertained in some quarters about the effects of the abolition of First Class on earnings have proved to be without foundation. Hon'ble Members may also remember that First Class traffic has never been paying to the Railways. Accordingly, to the extent that upper class accommodation can be replaced by lower class. the net earnings of the Railways should improve.

I am conscious of the difficulties the Third Class passengers have still to face in various sections of the Railways. The new Third Class coaches of the Hindustan Aircraft Limited and of the Swiss make are, we believe, an appreciable improvement. The seats have been widened and are more comfortable. Fans, better lights and improved lavatories have been provided The new coaches that will now be put in service are being manufactured keeping this standard in view. The old coaches whose life is not above 20 years are also being provided with fans. It will be my endeavour to provide more and more amenities to Third Class passengers. Although it may take time, our object is to reduce, as far as possible, the difference that exists today between the lower and higher classes.

33. The Railway Administrations have continued their efforts to reduce overcrowding in passenger trains. Even though passenger traffic has tended to be no higher than in the previous years, new trains have been added and existing train services

extended where possible. During the period April, 1953 to November 1953, 190 new trains were introduced and 126 trains were extended. The passenger train mileage during 1952-53 was 97·6 millions as against 96 millions in 1951-52. The additional train services introduced during the first 8 months of the current year recorded an increase daily of 7,450 train miles on the broad gauge, 4,656 train miles on the metre gauge and 397 train miles on the narrow gauge.

During 1952-53, 184 broad gauge and 135 metre gauge Third Class coaches have been put on the line. While the number of third class passengers decreased from 1,163 millions in 1951-52 to 1,120 millions in 1952-53, the number of seats provided for third class passengers increased from 856 thousand to 864 thousand over the same period. I expect that the position will further improve with the fresh additions and replacement of coaching stock.

34. The improvement referred to in my last year's budget speech regarding disposal of compensation claims for goods lost or damaged has been maintained. The average time taken in settling compensation claims during 1952-53 has been brought down to 71 days. As a result of priority being given to settlement of old oustanding claims, their number has also been reduced.

35. It has been possible to take definite steps to improve Watch and Ward and the security organisations of the Railways following the appointment of the Security Adviser to the Railway Board and it is proposed to appoint for each zonal Railway, a Security Officer of the rank of a Deputy Inspector General of Police who will have direct access to the General Manager. It should lead to a better system of co-ordination between the police of the States and the Government Railway Police. Training schools are being opened in each zone for training of men and officers of Watch and Ward and refresher courses are also being introduced for those already in service. Special rules and regulations are under preparation for meeting the menace of pilferage and thefts on railways. I am glad to announce that the Home Ministry is considering measures to co-ordinate with us in this matter. It is hoped that substantial improvement will take place in the near future.

36. Hon'ble Members may recall my reference to the proposal to revise the constitution of the Local Advisory Committees on Railways in the context of regrouping and with a

view to securing better representation of the vast body of railway users. The proposal has been implemented in the course of the year and there is at present a Zonal Railway Users' Consultative Committee at the Headquarters of each Railway along with Regional or Divisional Committees. These Committees, which are of a more representative character than the previous Local Advisory Committees, serve as a valuable organ of public opinion. A National Railway Users' Consultative Council has also been formed at the Centre and its first meeting was held in October 1953 to discuss several important matters.

37. I would ask the indulgence of the Hon'ble Members for making a reference to the recent unfortunate accidents to passenger trains, which have been the cause for concern to them no less than they have been to me. The occurrence of these accidents within a short time has been an unfortunate coincidence, but it should not cause any undue apprehension or alarm. Yet it is the duty of the Administration always to remain vigilant and alert and to see that the incidence of accidents on the Railways is kept down. With this objective, I have set up a Committee with Shri Shah Nawaz Khan, Parliamentary Secretary, as Chairman, and the Chief Government Inspector of Railways and a retired General Manager as Members. The terms of reference to the Committee are :—

(a) To study the reports of enquiries into all train accidents on all Indian Railways which have taken place since 1st January 1953 and to analyse their causes;

(b) To examine how the recommendations made by the investigating officers have been dealt with and those accepted by the Railway Board or the Railway Administrations have been implemented; and

(c) To make recommendations with a view to reducing incidence of such accidents.

The Committee has already started work and should submit its report by the end of April 1954.

38. A Hindi section has been opened in the Railway Board's office, which deals mostly with Hindi correspondence and also helps in Hindi or English translations of official documents and other papers. A standardised nomenclature of different terminologies on the Railways is also being progressed with a clear

direction from me that they should be as simple as possible and easily understandable. Railway Administrations are also setting up machinery to reply in Hindi to Hindi letters received in their offices.

39. Our Research and Testing Centre at Lucknow, with the sub-centres at Chittaranjan and Lonavla, have started doing useful work. Investigations at these centres are being confined, to start with, to those problems which are of immediate importance to Railways and on which studies and tests are likely to yield positive results of practical value within a reasonable time. The work done during the past year has increased our knowledge of the forces which locomotives exert on the track, particularly on curves and turnouts, under Indian conditions. This, it is hoped, will lead to more economical designs of permanent-way, both from the point of view of initial cost and of maintenance.

40. The drive instituted by the Railway Board for bringing down the value of stores balances to which I had made particular reference last year has been yielding encouraging results. The value of the balances which stood at Rs. 63·41 crores on 31st March, 1952 was reduced to Rs. 57·20 crores at the end of March 1953. A further reduction of Rs. 4 crores is anticipated by the end of 1954-55.

41. In respect of maintenance of Rolling Stock, the utilisation of workshop facilities progressively improved on the Railways since 1950-51. The number of standard unit repairs to Broad Gauge locomotives increased from 1971 in 1951-52 to 2153 in 1952-53. Similar improvement was noticed in repairs to Metre Gauge locomotives and Broad and Metre Gauge carriages and wagons

42. I would like to inform the Hon'ble Members that the Railway Board have issued instructions early this year to extend the use of Khadi on Railways. Railways have been asked to purchase their requirements of certain articles like bedsheets, table-covers, dusters, hand-towels and durries in khadi only and, in order to ensure purchase of genuine khadi, supplies are being obtained through the All India Khadi and Village Industries Board. Railways have readily adopted the use of khadi where it has been found not unsuitable.

43. With a view to affording equal opportunities to the residents of the various Regions served by the Indian Railways and to accelerate the process of recruitment of Class III staff,

two more Railway Service Commissions have been set up—one with headquarters at Allahabad and the other at Madras. The Allahabad Commission has taken over recruitment for the Northern Railway and the ex-O.T. portion of the North Eastern Railway. The new Commission at Madras has taken over recruitment for the Southern Railway, the Integral Coach Factory and the Secunderabad Division of the Central Railway.

44. In presenting the Railway budget last year, I had indicated my intention to set up a Committee of Members of Parliament for conducting an enquiry into the prevalence of corruption on the Railways. This Committee was appointed in September 1953 with Pandit Hirday Nath Kunzru as Chairman and commenced its work in October. The Committee have issued a questionnaire to various interests to elicit their views and have visited certain places. Meanwhile, Pandit Kunzru has been appointed a member of the States Reorganisation Commission and the Committee had thus to lose his valuable services. I am, however, glad to announce that Acharya J. B. Kripalani has kindly agreed to guide the deliberations of that Committee in his place.

45. Although for reasons stated earlier, I have not found it possible to offer at present any relief in the matter of freights and fares generally, I would like to inform the House that the following travel concessions are being introduced :—

(i) Circular Tour Tickets for distances of 1,500 miles and over at concessional fares of 3/4 the public tariff rates for second, inter and third classes. These concession tickets will apply not only to the standard circular tours notified by railways but also to circular tours suggested by parties themselves and approved by railways.

(ii) Round Tour Tickets for Students available for 45 days at the usual concessional rates when they undertake travel in parties of not less than four instead of in parties of not less than ten as at present. The existing concession for educational tours in parties of not less than ten will also apply to such students travelling in parties of not less than four.

(iii) Students Concessional Monthly Tickets in non-suburban areas, for students proceeding daily from their homes to attend schools or colleges and returning therefrom. These monthly tickets will be issued from stations not more than 30 miles distant from the station of the school or college attended, on payment of 12 single journey fares.

(iv) Concessional Hill Station return tickets at 1½ single journey fares to certain selected hill stations during April to October for second, inter and third classes, available for three months from all stations from which the chargeable distance is 150 miles or more.

(v) Besides the above concessions, the power given to the General Managers to introduce return tickets in their zone, continues to be vested in them and I am sure, wherever practicable, they will introduce them and no separate sanction will be necessary for that.

46. I shall now refer to certain matters pertaining to the Railway services:

(i) *Merger of Dearness Allowance with pay.*—Hon'ble Members are aware of the recommendations of the Gadgil Committee and I need hardly go into the details. The Government have accepted these recommendations which will involve an additional expenditure of about Rs. 3 crores per year approximately.

(ii) *Appointment of Ad Hoc Tribunal.*—The negotiating machinery at all levels has functioned well. Many issues including complicated ones have been ironed out successfully. I wish there were more frequent meetings and talks at Divisional or Regional and Zonal levels which would help in resolving many problems in the initial stages.

The House is aware that in case no agreement is arrived at on certain points at the Railway Board's level, there is provision for reference to an *Ad Hoc* Tribunal for consideration and recommendation to the Government. Accordingly certain important issues which remained unresolved for some time have been referred to a Tribunal. In July 1953, Government announced its decision to set up an *Ad Hoc* single member Tribunal consisting of Shri Shankar Saran, a former Judge of Allahabad High Court, and referred to him five specific points. It is hoped that as a result of the deliberations of the Tribunal, the points in dispute would be satisfactorily settled.

(iii) *Seniority of staff of the integrated Railways.*—The question of fixing combined seniority of Class III and IV staff of the regrouped Railways had been under consideration of Government ever since re-grouping was undertaken. After careful consideration of the recommendations made by the Seniority Committee appointed on each of the six Zonal Railways and the views expressed by the National Federation of Indian Railwaymen, certain principles have been formulated for determining the seniority of the staff of the integrated railways. The basic criterion, subject to certain specified exceptions, for determining the relative seniority of staff of integrated Railways will be the length of service in the grade, both officiating as well as permanent. The Railway Administrations have been instructed to frame seniority lists in accordance with the principles formulated and to complete the work as expeditiously as possible.

(iv) *Selection posts.*—At the time of presenting the Budget in the House last year, I mentioned that the question of improving the procedure for making selections and of specifying the level up to which promotions will go solely by seniority subjec to an employee not being declared unsuitable, was engaging the attention of Government. This matter has since been finalised. Under the amended rules which have been communicated to all the Railway Administrations for guidence, there will, in future, be only two categories of posts—selection posts and non-selection posts. All posts in the grade of Rs. 200-300 and above will be treated as selection posts. Also certain specific categories which involve supervision and a degree of personal responsibility in the grade of Rs. 150-225 may be included in the list of selection posts. Further, a scale of weightage to be given to various factors like ability, seniority etc., in making selections, has been prescribed. The question of what further instructions should be issued for the guidance of Selection Boards is under examination.

(v) *Housing.*—One of the urgent needs of the staff is adequacy of residential quarters. In places where staff quarters exist, the Railway Administrations are endeavouring to improve the standards of amenities provided. For example, where electricity, is available, staff quarters of all categories will be electrified and where water-borne sewage is available, sanitary type of latrines will be provided. All-weather roads, street lighting and adequate drainage will be provided for. Attention is also being paid to the improvement of the old quarters progressively on a planned basis.

I would like the House to appreciate the efforts that have been made in recent years towards the construction of quarters for staff. In 1952-53, 5,666 quarters were built. By the end of the current financial year 9,710 quarters more will have been constructed and during 1954-55 it is proposed to build 8,722 quarters; of these 6,213 will be in principal cities and 12,219 at wayside stations.

(vi) *Medical facilities*.—The health of the railway staff has continued to receive particular attention of the Government. It has been decided to provide annexes or special additions exclusively for railwaymen suffering from tuberculosis, in certain selected Government and non-Government Tuberculosis Sanatoria in the country. A team of two officers, a Railway doctor and a Finance officer is carrying out investigations. This team has submitted a special interim report.

Our idea is to have at least one such annexe on each Railway in order to provide treatment, as far as possible, to employees nearer their State where it would be easier for their relatives to look after them. A start has been made to provide one annexe each on the Eastern and Southern Railways, and I hope annexes on other Railways would be selected and fixed up soon.

I have had under consideration for some time the question of improving generally the medical arrangements for Railway staff. A Chief Medical Officer has been investigating whether the Financial and other resources now made available for medical facilities to the staff are being used to the best advantage. Other measures for the improvement of the health services will be considered along with his report.

(vii) *Class II services*.—I had mentioned last year that steps were being taken to grant promotions from Class II to Class I service upto the full quota already in force. The seniority of all Class II officers, who came into the six zonal systems after integration, has since been fixed in accordance with certain principles adopted by the Railway Board, and necessary steps have been taken to expedite the promotions due. Out of 59 promotions due, 13 have already been ordered and 38 have recently been referred to the Union Public Service Commission.

At present Class II officers are considered for promotion to Class I, only if they are not over 50 years old. I have come to the conclusion that this age restriction should be removed and the matter is being referred to the Union Public Service Commission, I have also decided to revise the existing rule regarding

the weightage for seniority given to Class II officers on promotion to Class I. In future, the weightage for seniority would be calculated at half the continuous officiating and permanent service in Class II, subject to a maximum of five years. Past cases will not be re-opened, but the seniority, on promotions now being made and those that will be made in future. will be fixed on this basis.

I may add, in passing, that immediately after regrouping. it was decided to restrict permanent promotions to Class II to 50 per cent. of the vacancies then available. This restriction was, however, removed in the middle of 1952 and confirmation in all available vacancies, except a total of six on all Railways together, are possible and have, in fact been made in most cases.

47. *Labour Relations.*—We have had another year of very cordial relations between labour and management which augurs well for the future. The formation of one organisation known as the "National Federation of Indian Railwaymen" during the current year by the integration of the two Federations, *viz.*, the All India Railwaymen's Federation and the Indian National Railway Workers' Federation, is a healthy development and I am sure, will prove beneficial. The passing away in tragic circumstances of Shri Hariharnath Shastri who worked hard to bring this about and whose selfless work in the cause of labour is well known, has been a great loss which we all mourn.

48. May I say a word here about the obligations of Railwaymen towards the users of the Railways? There are certain categories of staff who come in closer contact with the public than others in their day to day work and they have to be specially more careful. Last year, I had emphasised the need for railway employees changing their outlook in regard to their behaviour towards the using public. There has been some improvement but I must say that there is yet much scope for improvement in this direction. They have, in fact, to reorient their outlook in the fast changing context of our present day society. Class distinctions are fading out. Every citizen is becoming conscious of his equal place in the society and the more this consciousness grows the less would he be prepared to put up with any kind of differential treatment. In fact, the entire attitude of the Railwaymen to the common man has to be changed, whether he is a third class passenger or a small shopkeeper who wants to book his parcels or goods.

49. Before I conclude, I wish to record my appreciation of the assistance and co-operation I have received from the Railway Board, the General Managers of the Railway Administrations and all Railway officers and staff. The pace of economic development today is dependent on the provision of adequate transport facilities to satisfy the diverse requirements of agriculture, industry and commerce. The role of the railwaymen in meeting this challenge to their capacity and resources is thus of crucial importance. I am confident they will rise equal to the task set before them.

50. Permit me, Sir, to thank you and the House for the patient hearing you have given me and also for the support and encouragement I have always received in ample measure from this House and from the members of the public outside.

GOVERNMENT OF INDIA

BUDGET

of the

Railway Revenue and Expenditure of the Central Government For 1954-55

(As Presented and finally adopted)

MINISTRY OF RAILWAYS;
New Delhi, the 19th February, 1954.

P. C. BHATTACHARYYA,
Financial Commissioner for Railways.

CONTENTS

I.—Statement of the Revenue of the Central Government from Railways

[In thousands of rupees]

HEADS OF REVENUE	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase(+) Decrease(—) as compared with Budget, 1953-54	Budget Estimate, 1954-55
XV.—Indian Government Railways—					
Gross receipts—					
Passenger traffic earnings—					
Upper	11,96,05	11,40,20	11,39,92	—28	11,40,20
Third	88,42,33	90,38,10	89,86,20	—51,90	90,10,97
Other coaching traffic earnings	18,16,87	18,49,70	17,99,90	—49,80	17,50,20
Goods traffic earnings .	1,46,11,88	1,47,60,50	1,47,13,40	—47,10	1,48,59,90
Sundry other earnings .	5,12,05	4,64,25	5,02,59	+38,34	5,07,20
TOTAL EARNINGS .	2,69,79,18	2,72,52,75	2,71,42,01	—1,10,74	2,72,68,47
Suspense	76,79	—24,45	58,44	+82,89	56,93
Gross Receipts of Indian Government Railways . . .	(a) 2,70,55,97	(b) 2,72,28,30	(c) 2,72,00,45	—27,85	(d) 2,73,25,40
Deduct—					
Working Expenses of Indian Government Railways . .	2,17,95,88	2,20,98,56	2,27,62,58	+6,64,02	2,24,30,39
Payments to worked lines—					
(i) Net earnings . .	21,20	21,22	23,94	+2,72	22,37
(ii) Rebate, etc. . . .	9	..	10	+10	10
Net receipts	52,38,80	51,08,52	44,13,83	—6,94,69	48,72,54
XVI.—Subsidised Companies—					
Government share of surplus profits, etc. . . .	4,31	3,47	4,36	+89	4,03
XVI-A.—Miscellaneous Railway Receipts—					
Miscellaneous receipts . .	27,45	28,62	27,56	—1,06	26,65
XVI-B.—Transfer from Railway Revenue Reserve Fund .	..	..	..	..	..
TOTAL RECEIPTS . .	52,70,56	51,40,61	44,45,75	—6,94,86	49,03,22

(a) Includes 88,69 earnings of worked lines.
(b) ,, 76,03 ,, ,, ,,
(c) ,, 76,04 ,, ,, ,,
(d) ,, 74,88 ,, ,,

2.—Statement of the Expenditure on Railways met from the Revenues of the Central Government

(In thousands of rupees)

Heads of Expenditure	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase(+) Decrease(—) as compared with Budget 1953-54	Budget Estimate, 1954-55
15. Indian Government Railways— Interest—					
On Government capital-at-charge	..	..	..	..	..
On capital contributed by Indian States and Companies	..	..	..	..	..
Total Interest .	..	..	..	..	..
15. (C) Subsidised Companies—					
Land	7	7	7	—	7
Subsidy . . .	6,57	8,42	6,86	—1,56	7,77
15. (D&E) Miscellaneous Railway Expenditure . . .	1,40,86	1,55,66	1,60,89	+5,23	1,69,30
15. (I) Open Line Works--Revenue.	4,04,82	5,68,52	5,13,28	—55,24	6,62,19
15. (F) Appropriation to Railway Revenue Reserve Fund from Surplus	1,18,77	..	..	..	..
15. (H) Appropriation to Railway Development Fund from Surplus	12,00,00	9,31,00	3,18,19	—6,12,81	5,14,04
15. (J) Appropriation to Railway Depreciation Reserve Fund from Surplus . . .	..	..	..	..	..
15. (K) Dividend to General Revenues	33,99,47	34,76,94	34,46,46	—30,48	35,49,85
Total .	52,70,56	51,40,61	44,45,75	—6,94,86	49,03,22

3.—Distribution of Railway Surplus 1953-54 and 1954-55

(In thousands of rupees)

—	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
Surplus	13,18,77	9,31,00	3,18,19	5,14,04
Development Fund	12,00,00	9,31,00	3,18,19	5,14,04
Railway Revenue Reserve Fund . .	1,18,77	..	..	..
Railway Depreciation Reserve Fund .	..	..	..	..

4.—Statement of the Capital Expenditure of the Central Governmen: on Railways

(In thousands of rupees)

Heads of Expenditure	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease (—) as compared with Budget, 1953-54	Budget Estimate, 1954-55
Railway capital not met from Revenue :—					
67.– Construction of State Railways :—					
Open Line Works—					
Rolling Stock . . .	3,98,11	12,46,17	12,28,39	—17,78	24,08,26
Other Works . . .	3,56,05	6,51,10	6,48,40	—2,70	10,40,23
New Construction . .	32,75	1,71,61	83,18	—88,43	2,56,86
Suspense	—2,18,06	—2,30,56	—2,41,96	—11,40	—2,48,27
Miscellaneous . . .	1,35,75	1,00,00	59,83	—40,17	1,20,00
Probable Savings . .	..	—41,05	..	+41,05	—1,84,53
Total .	7,04,60	18,97,27	17,77,84	—1,19,43	33,92,55

5.—Statement of the Capital Expenditure of the Central Government on Vizagapatam Port

(In thousands of rupees)

HEADS OF EXPENDITURE	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimte, 1953-54	Increase (+) Decrease (—) as compared with Budget, 1953-54	Budget Estimate, 1954-55
Vizagapatam Harbour Capital not met from Revenue :—					
73.—Capital outlay on Vizagapatam Port :—					
I. Land	—1	5,13	1,03	—4,10	9,25
II. Waterways . .	..	16	66	+50	3,00
III. Docks and Berths .	2,70	9,90	10,82	+92	32,19
IV. Broad Gauge Railways	19	70	—15	—85	3,00
V. Ferries . . .	..	..	..	..	..
VI. Manganese Facilities .	82	1,10	1,63	+53	13
VII. Plant . . .	71	2,05	6,17	+4,12	2,50
VIII. Floating crafts . .	—36	2,95	1,32	—1,63	2,71
IX. Buildings . . .	4,50	3,31	3,49	+18	2,36
X. Suspense . . .	1	..	—2,00	—2,00	1,00
TOTAL .	8,56	25,30	22,97	—2,33	56,14

A.—RAILWAY DEPRECIATION RESERVE FUND

(In thousands of Rupees)

	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55		Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
Opening Balance	*1,22,82,85	1,08,59,05	1,16,36,07	1,07,86,53	Appropriation from Depreciation Reserve Fund.	40,89,33	40,91,66	42,33,05	43,29,75
Appropriation to Depreciation Reserve Fund.	(a)30,33,22	(b)30,34,61	(c) 30,36,38	(d) 30,37,95					
Interest on Depreciation Reserve Fund.	4,09,33	3,22,31	3,47,13	3,21,46	Closing Balance	1,16,36,07	1,01,24,31	1,07,86,53	98,16,19
TOTAL	1,57,25,40	1,42,15,97	1,50,19,58	1,41,45,94	TOTAL	1,57,25,40	1,42,15,97	1,50,19,58	1,41,45,94

* Includes 8,92,66 (Provisional) on account of Indian State Railways taken over from 1-4-1950.
(a) Includes 33,22 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works.
(b) Includes 34,61 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works.
(c) Includes 36,38 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works.
(d) Includes 37,95 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works.

B.—RAILWAY REVENUE RESERVE FUND

(In thousands of rupees)

	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Revised Estimate 1954-55		Accounts, 1952 53	Budget Estimate, 1953-54	Rivised Estimate, 1953-54	Budget Estimate, 1954-55
Opening Balance	(a) 33,74,70	(d)34,80,72	(c) 36,04,96	(h)37,17,73	Appropriation from Railway Revenue Reserve Fund	—4,03	..	...	..
Appropriation to Railway Revenue Reserve Fund from surplus	1,18,77	..	...	..	Closing Balance . . .	(c)36,04,96	(f) 35,88,89	(h) 37,17,73	(h)38,35,50
Interest on Railway Revenue Reserve Fund	(b) 1,07,46	(e)1,08,17	(g) 1,12,77	(i) 1,17,77					
TOTAL	36,00,93	35,88,89	37,17,73	38,35,50	TOTAL .	36,00,93	35,88,89	37,17,73	38,35,50

(a) Includes 28·20 lakhs on account of investment in shares of and loans to Branch Line Companies, and 221.67 lakhs (provisional) on account of Indian State Railways taken over from 1-4-1950
(b) Includes 1.49 lakh on account of interest and dividends and gain etc. on investments.
(c) Includes 39.70 lakhs on account of investments in shares of and loans to Branch Line Companies.
(d) Includes 44.35 lakhs on account of investments in shares of and loans to Branch Line Companies.
(e) Includes 1.12 lakhs on account of interest and dividends etc. on investments.
(f) Includes 55.85 lakhs on account of investments in shares of and loans to Branch Line Companies.
(g) Includes 1 27 lakhs on account of interest and dividends etc. on investments.
(h) Includes 47·18 lakhs on account of investments in shares of and loans to Branch Line Companies,
(i) Includes 1·39 lakhs on account of interest and dividends etc. on investments.

C.—RAILWAY DEVELOPMENT FUND

(In thousands of rupees)

	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55		Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
Opening Balance	*22,47,65	23,04,97	27,13,39	18,61,27	Appropriation from Development Fund.	8,10,22	13,78,23	12,40,80	10,59,37
Appropriation to Development Fund from Surplus	12,00,00	9,31,00	3,18,19	5,14,04	Closing Balance . .	27,13,39	19,22,68	18,61,27	13,66,30
Interest on Development Fund.	75,96	64,94	70,49	50,36					
TOTAL .	35,23,61	33,00,91	31,02,07	24,25,67	TOTAL .	35,23,61	33,00,91	31,02,07	24,25,67

* Includes 55,62 (Provisional) on account of Indian State Railways taken over from 1-4-1950.

SCHEDULE OF DEMANDS FOR GRANTS (RAILWAYS)

DETAILS OF VOTED AND CHARGED AMOUNTS IN THE DEMANDS FOR GRANTS (RAILWAYS) FOR 1954-55.

Page	Number of Demand	Name of Demand	AMOUNT (In thousands of rupees) Voted	Charged
			Rs.	
1—2	1	Railway Board	38,80	..
3—10	3	Miscellaneous Expenditure	1,32,26	..
11—22	4	Working Expenses—Administration . .	28,21,34	..
23—28	5	Working Expenses—Repairs and Maintenance	68,02,98	..
29—34	6	Working Expenses—Operating Staff . .	44,02,01	..
35—40	7	Working Expenses—Operation (Fuel) . .	35,35,68	..
41—46	8	Working Expenses—Operation other than Staff and Fuel	15,54,98	..
47—55	9	Working Expenses—Miscellaneous Expenses	51,00,76	..
57—62	9A	Working Expenses—Labour Welfare . .	4,50,11	..
63—65	10	Payments to Worked Lines and others . .	32,49	..
66	11	Working Expenses—Appropriation to Depreciation Reserve Fund	30,00,00	..
67—69	12A	Open Line Works (Revenue) Labour Welfare	1,24,56	..
71—72	12B	Open Line Works (Revenue) other than Labour Welfare	5,38,03	..
73	13	Appropriation to Development Fund . .	5,14,04	..
74	14	Appropriation to Revenue Reserve Fund .	..	..
75	14A	Withdrawal from Revenue Reserve Fund .	..	..
76—78	15	Construction of New Lines . . .	2,44,60	..
79—83	16	Open Line, Works—Additions . . .	2,20,63,64	..
85—89	17	Open Line Works—Replacements . .	46,30,25	..
91—94	18	Open Line Works—Development Fund .	10,59,37	..
95	19	Capital Outlay on Vizagapatam Port . .	77,84	..
96	20	Dividend Payable to General Revenues .	35,49,85	..

THE APPROPRIATION (RAILWAYS) BILL, 1954

(AS INTRODUCED IN THE HOUSE OF THE PEOPLE)

A

BILL

to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1953-54 *for the purposes of Railways.*

BE it enacted by Parliament as follows:—

1. Short title.—This Act may be called the Appropriation (Railways) Act, 1954.

2. Issue of Rs. 33,17,68,000 out of the Consolidated Fund of India for the financial year 1953-54.—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of thirty three crores, seventeen lakhs and sixty eight thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1953-54, in respect of the services relating to railways specified in column 2 of the Schedule.

3. Appropriation.—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	1,14,000	..	1,14,000
4	Working Expenses—Administration .	68,54,000	..	68,54,000
5	Working Expenses—Repairs and Maintenance	2,31,30,000	..	2,31,30,000
6	Working Expenses—Operating Staff .	59,32,000	..	59,32,000
7	Working Expenses—Operation (Fuel) .	41,29,000	..	41,29,000
8	Working Expenses—Operation other than Staff and Fuel . . .	30,58,000	..	30,58,000
9	Working Expenses—Miscellaneous Expenses	17,68,37,000	..	,000
10	Payments to Indian States and Companies	3,30,000	..	3,30,000
16	Open Line Works—Additions . .	8,47,03,000	..	8,47,03,000
17	Open Line Works—Replacements .	2,66,81,000	..	2,66,81,000
	GRAND TOTAL . .	33,17,68,000	..	33,17,68,000

STATEMENT OF OBJECTS AND REASONS

This Bill is introduced in pursuance of article 114(1) of the Constitution of India, read with article 115 thereof, to provide for the appropriation out of the Consolidated Fund of India of the moneys required to meet the Supplementary grants made by the House of the People for expenditure of the Central Government on Railways for the financial year 1953-54.

LAL BAHADUR.

NEW DELHI;

The 15th February, 1954.

HOUSE OF THE PEOPLE

A

BILL

to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1953-54 for the purposes of Railways.

The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, recommended to the House of the People the introduction and consideration of the Bill.

M. N. KAUL,
Secretary

(*Shri Lal Bahadur Shastri,*
Minister for Railways and Transport)

THE APPROPRIATION (RAILWAYS) BILL, 1954

(AS PASSED BY THE HOUSES OF PARLIAMENT)

A

BILL

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3. **Appropriation.**—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	1,14,000	..	1,14,000
4	Working Expenses—Administration .	68,54,000	..	68,54,000
5	Working Expenses—Repairs and Maintenance	2,31,30,000	..	2,31,30,000
6	Working Expenses—Operating Staff.	59,32,000	..	59,32,000
7	Working Expenses—Operation (Fuel)	41,29,000	..	41,29,000
8	Working Expenses—Operation other than Staff and Fuel	30,58,000	..	30,58,000
9	Working Expenses—Miscellaneous Expenses	17,68,37,000	..	17,68,37,000
10	Payments to Indian States and Companies	3,30,000	..	3,30,000
16	Open Line Works—Additions . .	8,47,03,000	..	8,47,03,000
17	Open Line Works—Replacements	2,66,81,000	..	2,66,81,000
	GRAND TOTAL	33,17,68,000	..	33,17,68,000

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to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1953-54 for the purposes of Railways.

(As passed by the Houses of Parliament)

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EXPLANATORY MEMORANDUM ON THE RAILWAY BUDGET FOR 1954-55

INTRODUCTION

In the Explanatory Memorandum on the Railway Budget for 1952-53, a reference was made to the financial and accounting changes introduced with effect from 1st April 1952 consequent on the integration of the Indian Railways into a unified undertaking owned and worked by a single Central Authority. The changes related to the elimination of the following inter-railway and inter-departmental adjustments:—

(a) Adjustments of freight charges for carriage of railway stores, fuel etc., which resulted in figures both of earnings as well as of expenditure being unnecessarily inflated.

(b) Adjustments between Zonal Railways for services rendered or work done by one railway on behalf of another.

(c) Apportionment between Zonal Railways of the earnings of inter-railway traffic movements.

As some doubts were expressed regarding the merits of these changes. an assurance was given by the Railway Minister that they will be reviewed. An *ad hoc* Committee of Senior Administrative Officers was set up to go into the matter. The Committee on detailed examination came to the conclusion that maintenance of accounts of each railway so as to correctly represent the income and expenditure of each zone was necessary for the purpose of exercising effective control over the efficiency of operation by compilation of accurate statistics. The Committee's recommendations were:—

(a) Apportionment of earnings in respect of interchanged traffic should be made on a simplified basis for determining the earnings attributable to each zone.

(b) Inter-railway adjustments should be revived in all cases except in respect of petty adjustments not exceeding Rs. 500 in value but certain adjustments of a compensatory nature including those eliminated prior to 1st April 1952 need not be carried out.

(c) Freight charges on carriage of railway stores should be levied not at Public Tariff Rates but at flat rates to cover only the out-of-pocket costs incurred by the railways in their transport.

(d) Freight charges on railway stores and fuel on account of interchanged traffic should also be apportioned between the Zonal Railways, but the recoveries of freight charges should be adjusted in reduction of operating costs and not credited to earnings, which unnecessarily inflated both the income and expenditure of railways.

(e) The procedure for booking of railway stores should be changed to simplify the work at the stations and in the Accounts Offices.

The recommendations of the Committee have been considered and accepted by Government in consultation with the Comptroller and Auditor General.

The Budget Estimates for 1954-55 have been prepared having regard to the changes to be introduced with effect from 1st April 1954. The provision for freight charges has been made by the spending departments under various demands and the recoveries thereof have been included under Demand No. 7 in respect of freight on coal, and under Demand No 8 in respect of other freight charges.

PART I—REVENUE

Summary of Financial Results of Working of the Railway Undertaking

	(Surplus in crores of rupees)
1952-53	13.19 (Actuals)
1953-54	3.18 (Anticipated)
1954-55	5.14 (Anticipated)

Review of the Financial Results of the Year 1952-53

The actual gross traffic receipts for 1952-53 came to Rs. 270·56 crores against the Revised Estimate of Rs. 269 55 crores or an increase of about Rs. 1·01 crores.

The details of variations under different categories of traffic are shown in the table below:

(In crores of rupees)

	Actuals, 1951-52	Revised Estimate, 1952-53	Actuals, 1952-53
Passenger Earnings—			
Upper	13.63	11.45	11.96
Third	96.25	90.60	88.42
Other Coaching Earnings.	19.87	18.54	18.17
Goods Earnings	*156.79	144.56	146.12
Other Sundry Earnings	5.05	4.70	5.12
Total .	291.59	269.85	269.79
Suspense	—.77	—.30	.77
Total	*290.82	269.55	270.56

The increase in actual gross receipts as compared to Revised Estimate, under goods earnings was Rs. 1·56 crores and under sundry other earnings Rs. 0·42 crores This was, however, offset by a short-fall in passenger earnings of Rs. 1·67 crores and other coaching earnings Rs. 0·37 crores. There was also an improvement in the realisation of earnings held in suspense to the extent of Rs. 1·07 crores resulting in an overall increase of Rs. 1·01 crores.

2. The actual ordinary working expenses came to Rs. 187·96 crores against the Revised Estimate of Rs. 188·85 crores or a decrease of Rs. 89

*Include freight on railway materials.

lakhs. The actuals under the various grants compare as below with the Revised Estimates:—

(In crores of rupees)

	Actuals, 1951-52	Revised Estimate, 1952-53	Actuals, 1952-53
Demand No. 4—Administration	24.62	26.17	26.18
Demand No. 5—Repairs & Maintenance . . .	62.57	64.53	64.21
Demand No. 6—Operating Staff	38.94	41.06	41.16
Demand No. 7—Operation (Fuel)	31.00	22.56	22.20
Demand No. 8—Operation other than Staff and Fuel. .	14.40	13.50	13.48
Demand No. 9—Miscellaneous Expenses . . .	20.48	17.91	17.12
Demand No. 9A—Labour Welfare . . .	3.60	3.96	3.64
Total .	195.61	189.69	187.99
Suspense	—1.57	—.84	—.03
Total .	194.04	188.85	187.96

There were savings of Rs. 32 lakhs under Grant No. 5—Repairs and Maintenance, Rs. 36 lakhs under Grant No. 7—Operation (Fuel), Rs. 2 lakhs under Grant No. 8—Operation other than Staff and Fuel, Rs. 79 lakhs under Grant No. 9 Miscellaneous Expenses and Rs. 32 lakhs under Grant No. 9A—Labour Welfare. These savings were partly offset by an increase of Rs. 1 lakh under Grant No. 4—Administration, Rs. 10 lakhs under Grant No. 6—Operating Staff and Rs. 81 lakhs by variations under Suspense.

3. The miscellaneous receipts amounted to Rs. 31 lakhs against the Revised Estimate of Rs. 36 lakhs. The actual miscellaneous expenditure came to Rs. 5·52 crores against the Revised Estimate of Rs. 7·22 crores. The saving was mainly under Open Line Works—Revenue, as delay in the procurement of materials and finalisation of plans and estimates led to slow progress on some works.

4. As a result of variations mentioned above, the surplus for the year, which was expected to be Rs. 9·48 crores at the time of Revised Estimate, actually rose to Rs. 13·19 crores, out of which, Rs. 12·00 crores was credited to Development Fund and the balance to Revenue Reserve Fund.

5. The opening balance under the Depreciation Reserve Fund on 1st April 1952 stood at Rs. 122·83 crores. Against a provision of Rs. 47·28 crores in the Revised Estimate for 1952-53, expenditure from the Depreciation Reserve Fund was Rs. 40·89 crores, *i.e.*, Rs. 6·39 crores less. During the year an amount of Rs. 30·33 crores including Rs. 0·33 crores in respect of the capital assets of the Chittaranjan Locomotive Works chargeable to its Manufacturing Suspense Account was appropriated to the Fund, and adding Rs. 4·09 crores on account of interest accruing on the fund balance, the net withdrawal from the fund came to Rs. 6·17 crores. The closing balance at the end of 1952-53 stood at Rs. 116·36 crores.

6. The opening balance under Development Fund on 1st April 1952 stood at Rs. 22·48 crores. As stated in para. 4 above, Rs. 12 crores were credited to this Fund from the surplus of the year. A sum of Rs. 76 lakhs representing interest on the fund balance was also added thereto. The withdrawal from the Fund was only Rs. 8·10 crores, or Rs. 1·50 crores less than the provision of Rs. 9·60 crores in the Revised Estimate. Thus there was a net accretion of Rs. 4·66 crores to the Fund and the closing balance stood at Rs. 27·14 crores against Rs. 23·05 crores provided in the Revised Estimate

7. The opening balance under Revenue Reserve Fund on 1st April 1952 was Rs. 33·75 crores. The appropriation to Revenue Reserve Fund from the surplus of the year came to Rs. 1·19 crores against a nil anticipation in the Revised Estimate. Including the credit of Rs. 1·07 crores on account of interest, etc., accruing on the balance and a credit adjustment of Rs. 0·04 crores, the fund closed with a balance of Rs. 36·05 crores against the provision of Rs. 34·81 crores in the Revised Estimate.

8. The following table summarises the principal financial figures relating to the working of the railways during the year 1952-53. The corresponding figures in the Revised Estimate of that year and the actuals of the previous year are also shown in juxtaposition:

(In crores of rupees)

	Actuals, 1951-52	Revised Estimate, 1952-53	Actuals, 1952-53
Gross Traffic Receipts	290·82	269·55	270·56
Ordinary Working Expenses	194·04	188·85	187·96
Appropriation to Depreciation Reserve Fund	30·00	30·00	30·00
Payments to Worked Lines	0·31	0·25	0·21
Net Traffic Receipts	66·47	50·45	52·39
Net Miscellaneous Expenditure	4·72	6·86	5·21
Net Revenue	61·75	43·59	47·18
Dividend to General Revenues	33·41	34·11	33·99
Surplus	28·34	9·48	13·19
Operating Ratio	77·0%	81·2%	80·6%
Capital-at-charge	850·11	864·23	857·38
Ratio of Net Revenue to Capital-at-charge	7·3%	5·0%	5·5%

REVISED ESTIMATES FOR 1953-54

TRAFFIC RECEIPTS

9. In the Budget for 1953-54, the Gross Traffic Receipts were placed at Rs. 272·28 crores, Rs. 101·78 crores under passenger traffic, Rs. 147·60 crores under goods traffic and Rs. 22·90 crores under miscellaneous items. At the time of framing the Budget, the estimate for passenger earnings was placed at a slightly lower level as compared to the Revised Estimate for the previous year on the assumption that passenger earnings would not show any appreciable fall in the Budget year. The Revised Estimate of passenger earnings for the current year has been placed at Rs. 101·26 crores involving a reduction of Rs. 52 lakhs as compared to Budget. So far as upper class traffic is concerned, there has been no reduction in earnings, which incidentally indicates that the loss due to the abolition of first class has been made up by the general increase in the upper class traffic. The decrease under third class traffic represents 0·6% of the earnings pertaining to that class and can be viewed as due to difference in the method of estimating and does not reflect any material change in the trend of traffic. The Revised Estimate of earnings duly takes into account the additional earnings expected on account of Kumbh Mela, opening up of New Lines, etc., as already envisaged at the time of the Budget. So far as other coaching earnings are concerned, a decrease of Rs. 50 lakhs is anticipated mainly due to less movement of perishable traffic.

10. The Budget Estimate of goods earnings for 1953-54 was placed at Rs. 147·60 crores against which the Revised Estimate has been placed at Rs. 147·13 crores, *i.e.*, Rs. 47 lakhs less than the budgeted figure. This also does not show any change in the anticipated trend.

11. The decreases are partially offset by other sundry earnings being expected to come up to Rs. 5·03 crores as against Rs. 4·64 crores estimated at the time of Budget and an improvement of Rs. 0·82 crores in the realisation of earnings held under Suspense.

12. The Revised Estimate of Gross Traffic Receipts for the current year is compared in the table below with the Budget. The Actuals of 1952-53 are also shown in juxtaposition for the purpose of comparison:—

(In crores of rupees)

	Actuals, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54
Passenger Earnings—			
Upper	11·96	11·40	11·40
Third	88·42	90·38	89·86
Other Coaching Earnings	18·17	18·50	18·00
Goods Earnings	146·12	147·60	147·13
Other Sundry Earnings	5·12	4 64	5·03
Suspense	+0·77	—0·24	+0·58
Total	270·56	272·28	272·00

WORKING EXPENSES

13. In this Memorandum which generally deals with the financial position of Railways, the net figures under each Demand have been adopted throughout. But in the Book of Demands, the gross expenditure for which the vote of Parliament is required, as also the estimated credits or recoveries under each Demand are separately exhibited for information of Members of the Parliament.

14. The Revised Estimate of Ordinary Working Expenses for the current year has been placed at Rs. 197·63 crores against the Budget Estimate of Rs. 190·99 crores, an increase of Rs. 6·64 crores. This is mainly attributable to three factors. Firstly, Government's decision to implement the recommendations of the Gadgil Committee, according to which a portion of dearness allowance granted to Government servants has been treated as pay for certain purposes; secondly, increased diversion of loco coal by sea to enable movement of more public coal and other merchandise by rail to help industries and other public requirements; and thirdly, additional provision required in connection with Kumbh Mela and for repairs and maintenance of Railways' assets and installations.

15. The table below summarises demandwise the Revised Estimates for Ordinary Working Expenses in juxtaposition with the Budget Estimates for the current year and the actuals of the previous year:—

(In lakhs of rupees)

	Actuals, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54
Demand No. 4—Administration.	26,18	26,70	27,41
Demand No. 5—Repairs and Maintenance	64,21	65,46	67,26
Demand No. 6—Operating Staff	41,16	42,33	42,93
Demand No. 7—Operation (Fuel)	22,20	21,58	23,20
Demand No. 8—Operation other than Staff & Fuel..	13,48	13,56	13,76
Demand No. 9—Miscellaneous Expenses.	17,12	17,53	18,97
Demand No. 9A—Labour Welfare.	3,64	4,11	4,10
Total.	187,99	191,27	197,63
Suspense.	—3	—28	..
Total	187,96	190,99	197,63
Appropriation to Depreciation Reserve Fund	30,00	30,00	30,00
Payments to Worked Lines.	21	21	24

The reasons for variations under each Demand are given briefly in the following sub-paragraphs:

Demand No. 4—Administration.—There is an excess of Rs. 71 lakhs over the Budget mainly to cover additional expenditure on account of 50% of dearness allowance being merged with pay (Rs. 27 lakhs), additional payments to State Governments for Police charges (Rs. 7 lakhs), payment of arrears on account of implementation of Central Pay Commission's scales of pay and Joint Advisory Committee's recommendations etc. (Rs. 6 lakhs), additional staff for various purposes including Kumbh Mela and taking over of the Barsi Light Railway (Rs. 6 lakhs), increase in dearness allowance consequent upon more staff opting for cash Dearness Allowance and other reasons (Rs. 19 lakhs), miscellaneous causes such as increase in allowances consequent upon reclassification of cities and less recoveries, etc., (Rs. 6 lakhs).

Demand No. 5—Repairs and Maintenance.—The total excess under this Demand is Rs. 1,80 lakhs of which Rs 87 lakhs are due to expenditure under maintenance of way & works in connection with Kumbh Mela, heavy repairs to bridges, track etc., Rs. 26 lakhs to the decision to treat 50% of dearness allowance as pay; Rs. 14 lakhs to increased repairs to rolling stock; Rs. 24 lakhs to increased repairs to electrical services especially maintenance of installations etc., which are on the increase; Rs. 29 lakhs to increase in dearness allowance for more staff opting for cash dearness allowance.

Demand No. 6—Operating Staff.—There is an increase of Rs. 60 lakhs under this Demand. This is due to the merger of 50% of dearness allowance with pay (Rs. 35 lakhs), payment of arrears on account of Central Pay Commission's scales of pay and Joint Advisory Committee's recommendations (Rs. 6 lakhs) and increase in dearness allowance on account of

more staff opting for cash dearness allowance and other miscellaneous causes (Rs. 29 lakhs). This is offset by a saving of Rs. 10 lakhs owing to late filling in of posts for Adjudicator's Award.

Demand No. 7—Operation (Fuel).—There is an excess of Rs. 1,62 lakhs. This is mainly due to increased diversion of coal by sea to enable more public traffic to move through transport bottlenecks (Rs. 1,39 lakhs), less gain on collieries (Rs. 12 lakhs), throwforward bills of previous years (Rs. 9 lakhs), other causes (Rs. 2 lakhs).

Demand No. 8—Operation other than Staff and Fuel.—There is an excess of Rs. 20 lakhs caused mainly by increase under 'handling charges' for new out agencies, greater turnover at handling points and throw-forward bills (Rs. 15 lakhs). The balance is due to increased provision under dearness allowance for more staff opting for cash dearness allowance, increased consumption of electricity, etc.

Demand No. 9—Miscellaneous Expenses including Suspense.—There is an excess of Rs. 1,72 lakhs made up of Rs. 1,44 lakhs under final heads and Rs. 28 lakhs under Suspense. The increase is due to the enhanced provision required under Bonus and under Gratuities consequent on the decision to treat 50% of dearness allowance as pay (Rs. 2,32 lakhs), Bonus for temporary staff confirmed with retrospective effect (Rs. 21 lakhs), net variations under Suspense (Rs. 28 lakhs), arrear payment of taxes to municipalities and other miscellaneous items (Rs. 26 lakhs) offset by savings on grainshops on account of more staff opting for cash dearness allowance (Rs. 1,35 lakhs).

Demand No. 9A—Labour Welfare.—There is a decrease of Rs. 1 lakh due to more recoveries.

MISCELLANEOUS TRANSACTIONS

16. The table below compares the Revised Estimates of Miscellaneous Transactions with the Budget Estimates for the current year:—

(In lakhs of rupees)

	Actuals, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54
RECEIPTS			
Guarantee recoverable from Local Governments for unremunerative Lines	..	1	1
Other receipts from subsidized Companies	4	2	3
Railway Miscellaneous Receipts	27	29	28
Total Receipts	31	32	32
EXPENDITURE			
Rebate	..	..	..
Subsidy	6	8	7
Land	..	..	..
Surveys	2	14	5
Miscellaneous Railway Expenditure	1,39	1,42	1,56
Open Line Works (Revenue)	4,05	5,68	5,13
Total Expenditure	5,52	7,32	6,81
Net Miscellaneous Expenditure	5,21	7,00	6,49

17. The decrease under 'Surveys' is mainly due to the expenditure on Varetha-Nathejar Survey having been transferred to the construction estimate.

The increase under Miscellaneous Railway Expenditure is mainly attributable to Exhibition trains, Staff College at Baroda, and expenditure on Audit. The decrease under Open Line Works—Revenue is mainly on account of expenditure on works found financially remunerative having been transferred to Demands No. 16 and 17.

DIVIDEND TO GENERAL REVENUES

18. The Dividend payable to General Revenues, in terms of the revised Separation Convention, is placed at Rs. 34·46 crores against Rs. 34·77 crores in the Budget.

19. The financial results as now anticipated in the Revised Estimates for 1953-54 are compared in the statement below with the Budget Estimate of the year and actuals of the previous year:—

(In lakhs of rupees)

	Actuals, 1952-53	Budget Estimate, 1953-54	**Revised Estimate, 1953-54**
TRAFFIC RECEIPTS			
Gross Traffic Receipts.	270,56	272,28	**272,00**
WORKING EXPENSES			
Ordinary Working Expenses.	187,96	190,99	**197,63**
Appropriation to Depreciation Reserve Fund.	30,00	30,00	**30,00**
Payments to worked Lines.	21	21	**24**
Total Working Expenses.	218,17	221,20	**227,87**
Net Traffic Receipts.	52,39	51,08	**44,13**
MISCELLANEOUS TRANSACTIONS			
Receipts.	31	32	**32**
Expenditure.	5,52	7,32	**6,81**
Net Miscellaneous Expenditure.	5,21	7,00	**6,49**
Net Railway Revenues.	47,18	44,08	**37,64**
Dividend to General Revenues.	33,99	34,77	**34,46**
Net gain or surplus.	13,19	9,31	**3,18**

SURPLUS AND RESERVES

20. The Revised Estimate of the surplus for the current year comes to Rs. 3·18 crores against the budgetted figure of Rs. 9·31 crores. It is proposed that the entire amount of the surplus as now estimated should be credited to the Development Fund.

21. The actual opening balance of the Depreciation Reserve Fund at the beginning of the year was Rs. 116·36 crores. During the year, the fund will be credited with Rs. 30·36 crores, Rs. 30 crores on account of Indian Railways' capital assets chargeable to their Working Expenses and Rs. 36 lakhs on account of capital assets of the Chittaranjan Locomotive Works, by debit to Manufacture Suspense Account. The withdrawal from the fund is now expected to be Rs. 42·33 crores against Rs. 40·92 crores provided in the Budget. Taking into account Rs. 3·47 crores of interest, the fund is expected to close with a balance of Rs. 107·86 crores at the end of the year.

22. The withdrawal from the Development Fund is expected to be Rs. 12·41 crores against Rs. 13·78 crores provided in the Budget, while the accretion to the fund will be Rs. 3·89 crores including interest, against Rs. 9·96 crores estimated in the Budget. Thus the Fund will close with a balance of Rs. 18·62 crores against an opening balance of Rs. 27·14 crores.

23. As anticipated at the time of Budget, there will be no withdrawal from the Revenue Reserve Fund during the year. The additions to the Fund on account of interest, etc., will, however, be about Rs. 1·13 crores resulting in a closing balance of Rs. 37·18 crores.

BUDGET ESTIMATES FOR 1954-55

TRAFFIC RECEIPTS

24. The estimates of passenger earnings for the next year have been placed almost at the same level as the Revised Estimate for the current year. In making this estimate, due allowance has been made for the fact that no earnings from Kumbh Mela would accrue in the next year. This short fall is expected to be made up by earnings on account of opening of New Lines and from the Barsi Light Railway, which has been taken over by the Government from 1st January, 1954. A modest increase of Rs. 25 lakhs has been estimated for some improvement in earnings from third class traffic in South India anticipated in view of the favourable monsoon this year, a happy contrast to the droughts experienced during the past few years, successively.

25. The estimate for other coaching earnings allows for a further drop of Rs. 50 lakhs as compared to the Revised Estimate of the current year in view of the easier position in the movement of goods.

26. As regards goods earnings, there are reasons to be optimistic. The industrial production is on the increase, and for the first nine months of 1953, the average general index works out at 133·8, representing a rise of 5·4 over the corresponding figure for 1952. The forecasts of agricultural production are also encouraging. The total tons carried both on the Broad Gauge and the Metre Gauge recorded an increase of about 1·6 per cent. from 57·5 millions during the first six months of 1952-53 to 58·4 millions in the first six months of the current year. In this background and with progressive augmentation of line capacity, easier availability of wagons and of locomotive power, there is room for anticipating an upward trend in goods earnings. The Budget Estimate of goods earnings has been placed at a figure 1 per cent. higher than the Revised Estimate for 1953-54, *viz.* Rs. 148·6 crores.

27. The Budget Estimate of earnings of Indian Railways for 1954-55 will, therefore, be as follows:—

(In crores of rupees)

	Revised Estimate, 1953-54	Budget Estimate, 1954-55
Passenger Earnings.—		
Upper	11·40	11·40
Third	89·86	90·11
Other Coaching Earnings.	18·00	17·50
Goods Earnings.	147·13	148·60
Other Sundry Earnings.	5·03	5·07
Suspense.	+0·58	+0·57
Total	272·00	273·25

WORKING EXPENSES

28. The Budget Estimate has been framed having regard to the financial and accounting changes detailed in the Introduction at page 1 to be introduced with effect from 1st April 1954. Accordingly, provision has been made under the various Demands for expenditure on freight on loco coal and railway materials and recoveries thereof have been included under Demand No. 7 in respect of freight on fuel and under Demand No. 8 for recoveries of freight on other railway materials including those carried for Works.

29. The Budget Estimate of Ordinary Working Expenses for 1954-55 has been fixed at Rs. 194·31 crores, representing a decrease of Rs. 3·32 crores as compared to the Revised Estimate for 1953-54. The decrease is mainly attributable to credits on account of freight charges on Works taken in reduction of Working Expenses (Rs. 1·35 crores); less expenditure on diversion of coal by sea (Rs. 0·99 crores); variations under Suspense (Rs. 0·98 crores); less expenditure on special works and on maintenance of railway assets (Rs. 1·22 crores); reversal adjustments consequent upon restoration of dismantled lines (Rs. 1·03 crores). The decreases are offset by annual increments to staff (Rs. 1·06 crores); increased provision under dearness allowance for staff opting for cash dearness allowance (Rs. 0·65 crores); full year's provision for Barsi Light Railway and implementation of Adjudicator's Award, etc. (Rs. 0·54 crores).

30. The table below gives a comparison of the Budget Estimate of Working Expenses for 1954-55 under the different Demands with the Revised Estimate for the current year and the actuals of the previous year:—

(In lakhs of rupees)

	Actuals, 1952-53	Revised Estimate, 1953-54	Budget Estimate, 1954-55
Demand No. 4—Administration	26,18	27,41	28,20
Demand No. 5—Repairs & Maintenance	64,21	67,26	66,73
Demand No. 6—Operating Staff	41,16	42,93	44,02
Demand No. 7—Operation (Fuel)	22,20	23,20	22,17
Demand No. 8—Operation other than Staff and Fuel	13,48	13,76	10,02
Demand No. 9—Miscellaneous Expenses	17,12	18,97	19,94
Demand No. 9A—Labour Welfare	3,64	4,10	4,21
Suspense	—3	..	—98
Total	187,96	197,63	194,31
Appropriation to Depreciation Reserve Fund	30,00	30,00	30,00
Payments to Worked Lines	21	24	22

The variations under each Demand as compared to Revised Estimate are explained in the following paragraphs:—

Demand No. 4—Administration.—The Budget Estimate is more than the Revised Estimate by Rs. 79 lakhs, of which Rs. 35 lakhs are due to annual increments to staff, Rs. 23 lakhs to more staff opting for cash dearness allowance and the balance to the strengthening of Security Organisation, Police charges, etc.

Demand No. 5—Repairs and Maintenance.—The Budget Estimate is less than the Revised Estimate by Rs. 53 lakhs. This is on account of reversal adjustment consequent upon restoration of dismantled lines (Rs. 1,03 lakhs), no provision required for Kumbh Mela and less provision required for special works (Rs. 93 lakhs), less repair expenditure on Rolling Stock, etc. (Rs. 40 lakhs). The decreases are offset by revival of adjustment of freight charges (Rs. 1,19 lakhs) annual increments (Rs. 20

lakhs), Dearness Allowance for more staff opting for cash dearness allowance (Rs. 19 lakhs) and full year's provision for Barsi Light Railway, etc., (Rs. 25 lakhs).

Demand No. 6—Operating Staff.—The increased provision of Rs. 1,09 lakhs under this Demand is chiefly due to annual increments (Rs. 48 lakhs), implementation of Adjudicator's Award (Rs. 19 lakhs) and recommendations of the Joint Advisory Committee (Rs. 16 lakhs), Dearness Allowance for more staff opting for cash dearness allowance and other causes (Rs. 18 lakhs), provision for Barsi Light Railway for full year (Rs. 4 lakhs) and the balance for miscellaneous causes (Rs. 4 lakhs).

Demand No. 7—Operation (Fuel).—The decrease of Rs. 1,03 lakhs is due mainly to less diversion of coal by sea.

Demand No. 8—Operation other than Staff and Fuel.—There is a decrease of Rs. 3,74 lakhs as compared to the Revised Estimate for 1953-54. This is mainly on account of credit for freight charges for railway materials other than coal including those for works having been provided for under this Demand, corresponding to the debit provision under other Demands.

Demand No. 9—Miscellaneous Expenses.—There is a decrease of one lakh made up of a decrease of Rs. 98 lakhs under Suspense and an increase of Rs. 97 lakhs under final heads. This is due to greater clearance under Suspense (98) and less subsidy on Grainshops owing to more staff opting for cash dearness allowance (29), offset by provision of freight charges on railway materials (1,26).

Demand No. 9A—Labour Welfare.—The Budget Estimate shows an increase of Rs. 11 lakhs as compared to the Revised Estimate due mainly to annual increments to staff (Rs. 3 lakhs), improved Medical (Rs. 3 lakhs), Health and Welfare Services (Rs. 1 lakh) and Dearness Allowance for staff opting for cash dearness allowance and other causes (Rs. 4 lakhs).

31. A provision of Rs. 30 crores, as in the current year, has been made in the Budget Estimate for the next year for contribution to Depreciation Reserve Fund chargeable to Revenue Working Expenses.

32. Under Payments to Worked Lines, the Budget Estimate for 1954-55 has been placed at Rs. 22 lakhs as against Rs. 24 lakhs in the Revised Estimate for the current year.

MISCELLANEOUS TRANSACTIONS

33. The net result of Miscellaneous Transactions for the Budget year is expected to be a debit of Rs. 8·08 crores being made up of receipts of Rs. 31 lakhs and expenditure of Rs. 8·39 crores under the heads shown in the statement below:—

(In lakhs of rupees)

	Actuals, 1952-53	Revised Estimate, 1953-54	Budget Estimate, 1954-55
RECEIPTS			
Guarantee recoverable from Local Governments, for unremunerative lines	..	1	1
Other receipts from subsidized Companies	4	3	3
Railway Miscellaneous Receipts	27	28	27
Total Receipts	31	32	31

(In lakhs of rupees)

EXPENDITURE	Actuals, 1952-53	Revised Estimate, 1953-54	Budget Estimate, 1954-55
Rebate	..	..	..
Subsidy	6	7	8
Land	..	..	..
Surveys	2	5	10
Miscellaneous Railway Expenditure	1,39	1,56	1,59
Open Line Works (Revenue)	4,05	5,13	6,62
Total Expenditure	5,52	6,81	8,39
Net Miscellaneous Expenditure	5,21	6,49	8,08

34. The increase under Surveys is on account of the expenditure on Varetha-Nathejar Survey having been transferred to the construction estimate by credit to the head Surveys during 1953-54. Provision has also been made for a Survey for rail connection to Garo Hills in Assam. The increase under Miscellaneous Railway Expenditure is due to more expenditure on the Research Directorate and the establishment of an Efficiency Bureau in Railway Board's Office. The increase under Open Line Works—Revenue is on account of better progress in the execution of works expected during the next year.

DIVIDEND TO GENERAL REVENUES

35. The Budget Estimate for Dividend to General Revenues is placed at Rs. 35·50 crores against Rs. 34·46 crores in the Revised Estimate for the current year. The increase of Rs. 1·04 crores is due to increase in the capital-at-charge of the Railways, *vide* Appendix VI to this Memorandum.

36. The financial results of the Railways as anticipated in the Budget for 1954-55 are summarised in the table below side by side with the Revised Estimate for the current year and the actuals of the previous year:—

(In lakhs of rupees)

	Actuals, 1952-53	Revised Estimate, 1953-54	Budget Estimate, 1954-55
TRAFFIC RECEIPTS			
Gross Traffic Receipts	270,56	272,00	273,25
WORKING EXPENSES			
Ordinary Working Expenses	187,96	197,63	194,31
Appropriation to Depreciation Reserve Fund	30,00	30,00	30,00
Payments to Worked Lines	21	24	22
Total Working Expenses	218,17	227,87	224,53
Net Traffic Receipts	52,39	44,13	48,72
MISCELLANEOUS TRANSACTIONS			
Receipts	31	32	31
Expenditure	5,52	6,81	8,39
Net Miscellaneous Expenditure	5,21	6,49	8,08
Net Railway Revenues	47,18	37,64	40,64
Dividend to General Revenues	33,99	34,46	35,50
Net gain or surplus	13,19	3,18	5,14

SURPLUS AND RESERVES

37. The anticipated surplus of Rs. 5·14 crores is proposed to be credited entirely to the Development Fund.

38. The Depreciation Reserve Fund is expected to open with a balance of Rs. 107·86 crores on 1st April, 1954. During the year, the fund will be credited with Rs. 30·00 crores chargeable to Working Expenses and 0·38 crores in respect of capital assets of the Chittaranjan Locomotive Works chargeable to its Manufacture Suspense, making a total contribution of Rs. 30·38 crores against which the withdrawals from the Fund will be about Rs. 43·30 crores. Thus, including Rs. 3·22 crores on account of interest accruing on the balance during the year, the fund is expected to close with a balance of Rs. 98·16 crores.

39. The withdrawal from the Development Fund in the coming year is estimated at Rs. 10·59 crores. With Rs. 5·14 crores added to the Fund as contribution during the year and Rs. 50 lakhs as interest accruing on the balance, the fund will close with a balance of Rs. 13·67 crores.

40. There will be neither withdrawals nor contributions to the Revenue Reserve Fund during the budget year. Taking into account the interest, etc., of Rs. 1·18 crores accruing on the balance, the closing balance of the fund at the end of the year will stand at Rs. 38·36 crores.

41. The detailed accounts of the three Reserve Funds mentioned in the foregoing paragraphs are given in Appendices VIII to X to this Memorandum.

PART II

EXPENDITURE ON WORKS, MACHINERY AND ROLLING STOCK PROGRAMMES OF RAILWAYS

Revised Estimates, 1953-54

42. The Budget Estimates for the current year provided for a net expenditure of Rs. 73·93 crores on Works chargeable to Capital, Depreciation Reserve Fund and Development Fund. The Revised Estimate of the outlay on such works is placed at Rs. 72·75 crores, involving a reduction of Rs. 1·18 crores; including works chargeable to Revenue Working Expenses, the Revised Estimate for Works, Machinery and Rolling Stock expenditure is Rs. 77·88 crores against Rs. 79·61 crores provided in the Budget.

43. *Demand No.* 15—*Construction of New Lines.*—A sum of Rs. 1·68 crores was provided in the Budget for expenditure on New Constructions. As against this, the revised requirements are estimated at Rs. 84 lakhs, involving a decrease of Rs. 84 lakhs. The decrease is mainly attributable to less expenditure expected to be incurred on the Ganga Bridge Project due to delay in making preliminary arrangements for the commencement of the Project (78 lakhs) and also due to a contribution being recoverable from the Road Authorities this year (24 lakhs), offset by provision for Champa-Korba line on the Eastern Railway being now made under this Demand instead of under Development Fund, as the Project is now expected to be remunerative (18 lakhs).

44. *Demand No.* 16—*Open Line Works—Additions.*—The Revised Estimates have been fixed at Rs. 15·79 crores as against the Budget provision of Rs. 16·59 crores, involving a reduction of Rs. 80 lakhs. The decrease is mainly on account of less investment in Road Services and deferred deliveries of Rolling Stock and Machinery. Although there is a decrease

in the net amount of the Grant as compared to the Budget Estimate, a Supplementary Grant has become necessary due to an increase of Rs. 8·47 crores in the gross amount of the Grant on account of increased provision required under Manufacturing Suspense in compliance with the decision taken in consultation with the Comptroller and Auditor General to clear all outstandings at the end of March, 1953 under Reserve Bank Suspense by transfer to other Suspense Heads, and also on account of more debits expected to be adjusted under Stores Suspense.

45. *Demand No. 17—Open Line Works—Replacements.*—As against a provision of Rs. 41·62 crores, the revised requirements come to Rs. 43·48 crores, involving an increase of Rs. 1·86 crores. This is made up of an increase of Rs. 3·93 crores under Rolling Stock mainly on account of throwforward expenditure from the previous year, which is partly offset by less expenditure on Works.

46. *Demand No. 18—Open Line Works—Development Fund.*—There is a reduction of Rs. 1·37 crores mainly on account of slow progress of Works and partly as a result of the change in allocation of certain works, which are considered to be remunerative and are now provided for under Demand No. 16.

47. At the time of the Budget last year, it was anticipated that the credits of the order of Rs. 1·98 crores on account of released materials and Sinking Fund would be adjusted in reduction of expenditure on works, machinery and rolling stock. Against this, an amount of Rs. 2·86 crores is now expected to be adjusted as credits.

BUDGET ESTIMATES, 1954-55

48. The Railways' Works, Machinery and Rolling Stock Programmes including Vizagapatam Port and State Railway Collieries and including costs of works chargeable to Revenue, work up to a total net expenditure of Rs. 95·00 crores, for the year 1954-55 broadly distributed as under:—

(In lakhs of rupees)

Particulars	Capital	Depreciation Reserve Fund	Development Fund	Open Line Works	Total
1. Rolling Stock	24,08	31,24	..	3	55,35
2. Machinery & Plant	1,20	2,16	1	41	3,78
3. New Lines	2,57	..	2,41	..	4,98
4. Restoration of Dismantled Lines	19	—67	1,91	..	1,43
5. Purchase of Railway Lines	..	..	..	..	..
6. Track Renewals	4	12,77	8	14	13,03
7. Open Line Works (Other than Track Renewals)	8,82	2,09	6,74	6,39	24,04
8. Investment in Road Services	1,20	..	..	..	1,20
9. State Railway Collieries	38	..	..	..	38
10. Vizagapatam Port	56	..	..	..	56
11. Stores & Manufacturing Suspense	—2,48	..	..	..	—2,48
12. Credits or Recoveries	—23	—1,91	..	..	—2,14
Grand Total	36,33	45,68	11,15	6,97	100,13
Probable Savings	—1,84	—2,38	—56	—35	—5,13
Net	34,49	43,30	10,59	6,62	95,00

Out of the net provision of Rs. 95·00 crores, Rs. 59·34 crores relates to Works in Progress or Programmed Deliveries and the balance amount of Rs. 35·66 crores to new Works and new Acquisitions.

49. *Rolling Stock.*—The proposed expenditure of Rs. 55·35 crores is distributed among the different categories of stock separately under "New Acquisitions" and "Programmed Deliveries" as shown in the table below:—

(In lakhs of rupees)

Particulars	Programmed Deliveries	New Acquisitions
Locomotives	9,86	9,13
Boilers	2,35	19
Carriages	11,10	2,72
Wagons	7,69	11,36
Ferries	95	..
TOTAL . .	31,95	23,40
	55,35	

The distribution railwaywise of the provisions under programmed deliveries and new acquisitions is given in pages 33—37 of Part I of the Consolidated Works, Machinery and Rolling Stock Programmes of Railways.

The programme for "New Acquisitions" includes provision for the following:—

Particulars	To be obtained from abroad	To be obtained from indigenous sources	Total
Locomotives	735	100	835
Boilers	33	19	52
Carriages	124	1,017	1,141
Wagons	5,030	10,974	16,004
Cranes	20	16	36

The programme for procurement of Rolling Stock for 1954-55 is unusually heavy. This has been undertaken to accelerate the Rehabilitation Programme of the Railways. Orders for 515 locomotives involving an expenditure of Rs. 22·5 crores have been placed on the basis of global tenders on West Germany, Austria, Italy and Japan. In addition, 120 Broad Gauge passenger locomotives are to be received from Canada under the Colombo Plan, and 100 Broad Gauge goods locomotives and 5,000 wagons are to be received from the United States of America under their Technical Co-operation Mission aid Programme. A few wagons of special types are also being imported.

50. *Machinery and Plant.*—The programme for machinery and plant is for Rs. 3,78 lakhs (Capital Rs. 1,20 lakhs, Depreciation Reserve Fund Rs. 2,16 lakhs, Development Fund Rs. 1 lakh and Open Line Works

Revenue Rs. 41 lakhs), of which Rs. 3,32 lakhs are for "Programmed Deliveries" and the balance of Rs. 46 lakhs are proposed to be spent on "New Acquisitions".

Replacement of plant and machinery has been programmed on condition basis, only those items being selected for replacement which have passed their useful life and are beyond economic repairs. The estimated expenditure involved in such replacement is Rs. 2·38 crores of which the expenditure proposed during the year 1954-55 is Rs. 16 lakhs.

Additions of plant and machinery have been programmed for the Budget year at a cost of Rs. 2·89 crores to meet the requirements of various workshops, running sheds and sick lines, as many Railways have not been able to build up sufficient workshop capacity for increased holdings of Rolling Stock, particularly those directly affected by the partition of the country. An outlay of Rs. 30 lakhs is proposed to be incurred during 1954-55.

A summary of the requirements of each Railway under "New Acquisitions" as well as under "Programmed Deliveries" is given at pages 38-39 of Part I of the Consolidated Works, Machinery and Rolling Stock Programmes of Railways.

51. *New Lines and Major Projects.*—A provision of Rs. 4·98 crores is proposed for construction of new lines during 1954-55. Of this Rs. 4·74 crores is for Works in Progress and the balance of Rs. 24 lakhs for New Works.

The particulars of the Works in Progress and the New Works are as under:—

WORKS IN PROGRESS	(In lakhs of rupees) Provision in 1954-55
1. Khandwa-Hingoli line Central Railway	10·00
2. Branch and assisted sidings to serve Rajnagar and West Jhagra-Khand Collieries Eastern Railway	6·05
3. Barwadih-chirimiri (Bijuri) Construction Sarnadih to Barwadih Section V & VI miles 41·28 (Eastern Railway)	2·04
4. Construction of a narrow gauge extension from Khirsodah to Rawanwara (Eastern Railway)	0·27
5. Champa-Korba Line (Eastern Railway)	50·00
6. Kastagram Pariharpur Branch (Eastern Railway)	0·37
7. Rail connection from Gua Barabil area to Manharpur Rourkela Section (Eastern Railway)	23·35
8. Chunar-Robertsganj Construction (Northern Railway)	28·50
9. Direct link between Assam and the rest of India (North Eastern Railway)	1·62
10. Construction of Madhepura Murliganj Line (North Eastern Railway)	18·25
11. Quilon-Ernakulam Railway Metre Gauge (Southern Railway)	1,00·00
12. Sanganer Town-Toda Rai Singh Extension (Western Railway)	8·09
13. Gop-Katkola—Construction of the line including junction arrangements at Katkola yard (Western Railway)	20·24
14. Deesa-Gandhidham (Western Railway)	55·00
15. Gandhidham-Kandla link (Western Railway)	50·00
16. Mokameh—Providing a Broad Gauge rail-*cum*-road bridge over the Gangaghat	1,00·00
TOTAL	4,73·78
NEW WORKS	
17. Electrification of Howrah-Burdwan main line (Eastern Railway)	20·00
18. Pathankot-Madhopur line (Northern Railway)	4.25
TOTAL	24.25
GRAND TOTAL	4,98·03

Out of the Works in Progress detailed above, three projects deserve special mention.

(i) The Broad Gauge rail-*cum*-road bridge over the Ganga at Mokameh is anticipated to cost, including the road portion, about Rs. 14·60 crores. The site of the project is 54 miles east of Patna and it will provide a link between the North Eastern Railway and the Eastern Railway at Barauni and Mokameh on the two banks of the river. The actual construction work of the Bridge and training works at Mokameh is expected to commence in October, 1955. Meanwhile, arrangements are being made for collection of materials and equipment required for the Project.

(ii) Quilon-Ernakulam line on the Southern Railway. Out of the total length of 96 miles, Ernakulam-Kottayam Section which is about 37 miles long, is expected to be opened in 1955. The question of operating the line with electric power is also actively under consideration in consultation with the Government of Travancore-Cochin.

(iii) Satisfactory progress is being made on the construction of the Champa-Korba line about 24 miles long. This work was sanctioned in October 1953 at a cost of Rs. 96 lakhs.

New Works.—(i) The electrification of the Howrah-Burdwan main line on the Eastern Railway, which is estimated to cost about Rs. 7·1 crores, is being undertaken to provide fast and frequent train services on these sections in order to relieve the heavy congestion in suburban trains running through a densely populated area. This is only part of a scheme of electrifying the Calcutta suburban services for which a detailed survey is being conducted.

(ii) Construction of Pathankot Madhopur Broad Gauge Line, 7·06 miles in length, estimated to cost about Rs. 35 lakhs is proposed to be undertaken to relieve the heavy congestion of goods traffic at Pathankot and to facilitate further movement to Jammu and Kashmir State.

52. *Restoration of Dismantled Lines.*—A provision of Rs. 1·43 crores has been made in the Budget for the restorations already in progress (including the reversal adjustments of Jogindernagar-Nagrota (Northern Railway) and Shoranur-Nilambur (Southern Railway) lines. The particulars of these are:—

(In lakhs of rupees)

IN PROGRESS	Provision in 1954-55
1. Restoration of Bhagalpur Mandar Hill Branch (Eastern Railway)	4·24
2. Restoration of Utraitia-Sultanpur-Zafarabad (Northern Railway)	21·00
3. Restoration of Balamau-Mahdoganj—Unao (Northern Railway)	6·00
4. Restoration of Jogindernagar—Nagrota Line (Northern Railway).	50·56
5. Shoranur-Nilambur Railway Restoration—Broad Gauge (Southern Railway)	55·81
6. Madura—Bodinayakanur Railway Restoration—Metre Gauge (Southern Railway)	5·92
TOTAL	143·53

Of the 12 dismantled lines, the restoration of which was approved by the Central Board of Transport in 1950 the restoration of Rohtak-Gohana-Panipat Line (Northern Railway), which was programmed to be taken up during the current year has been postponed, as the Punjab Government

desired that higher priority be assigned to the diversion of Ambala-Kalka line from Mile 147·08 to 151·71 *via* Capital station. This has been completed. Of the remaining 11 lines, 7 have already been completed, 2 are partially completed and 1 is nearing completion. A statement giving further particulars of the progress of expenditure on each of the works in progress is given on pages 22—24 of Part I of the consolidated programme.

53. *Track Renewals.*—A provision of Rs. 13·03 crores has been included in the Budget for 1954-55 on this account. Of this Rs. 5·14 crores are for Works in Progress and the balance Rs. 7·89 crores for new works to be taken up in the next year.

54. *Open Line Works.*—The amount required for Open Line Works excluding State Railway Collieries is Rs. 24·04 crores (Capital Rs. 8·82 crores, Depreciation Reserve Fund Rs. 2·09 crores, Development Fund Rs. 6·74 crores and Revenue Rs. 6·39 crores). The distribution of the proposed expenditure amongst the important sub-heads is as follows:—

(In lakhs of rupees)

	Captial	D.R.F.	D.F.	Revenue (Demand No. 12A)	Revenue (Demand No. 12B)	Total
I. Bridge Works—						
(*a*) Works in Progress	2	69	3	..	3	77
(*b*) New Works	..	29	..	..	2	31
II. Operating Improvements—						
(*a*) Works in Progress	5,47	85	1,30	..	2,69	10,31
(*b*) New Works	1,07	26	14	..	2,34	3,81
III. Staff Quarters—						
(*a*) Works in Progress	97	..	64	33	..	1,94
(*b*) New Works	1,29	..	80	57	..	2,66
IV. Staff Amenities—						
(*a*) Works in Progress	..	..	54	15	..	69
(*b*) New Works	..	..	29	26	..	55
V. Passenger Amenities—						
(*a*) Works in Progress	..	..	1,69	..	..	1,69
(*b*) New Works	..	..	1,31	..	..	1,31
SUMMARY—						
(*a*) Works in Progress	6,46	1,54	4,20	48	2,72	15,40
(*b*) New Works	2,36	55	2,54	83	2,36	8,64
GRAND TOTAL	8,82	2,09	6,74	1,31	5,08	24,04

(a) The important works in progress costing more than 20 lakhs each are listed in Appendix I to this Memorandum. Of the works under this category, special mention may be made of the following four items:—

(i) A sum of Rs. 265 lakhs has been provided in 1954-55 for the Integral Coach Building Factory, Perambur which was taken in hand towards the end of 1951-52.

(ii) A provision of Rs. 25 lakhs has been made for rail facilities to be provided at Kurla-Trombay (Central Railway) in connection with the establishment of two oil refineries in the Bombay State. The work is estimated to cost Rs. 77 lakhs and is expected to be completed by June 1954.

(iii) A sum of Rs. 76 lakhs is being provided for expenditure during 1954-55 on the doubling of Anara Jaychandipahar-Burnpur Section (Eastern Railway) estimated to cost Rs. 1·55 crores. A sum of Rs. 10·50 lakhs is expected to be spent during the current year. This doubling is essential for dealing with additional traffic for steel works of the Indian Iron & Steel Co., which require three additional trains of raw materials per day in connection with their expansion programme. This doubling will also open up a channel for increased export of iron-ore from Chakardharpur District to Calcutta Docks *via* Sini-Asansol.

(iv) Provision of Rs. 20 lakhs has been made for the doubling of Sini-Gomharria Section (Eastern Railway) required to cope with the expansion programme of Messrs Tatas, who would require five additional trains each way for their increased iron-ore traffic. The work is estimated to cost Rs. 48 lakhs, of which Rs. 10 lakhs are expected to be spent during the current year.

(b) *New Works*.—The new works proposed to be taken up during 1954-55 are detailed in the respective Railways' consolidated programmes. Of these, the following are estimated to cost Rs. 20 lakhs or more:—

(i) *Bezwada Remodelling (Southern Railway)*.—The estimated cost of this work is Rs. 80 lakhs and the provision for the year is Rs. 7·15 lakhs. The existing yard facilities at Bezwada are inadequate even for the existing traffic. Remodelling, therefore, has become inescapable to provide for increase in the line capacity of Madras Broad Gauge Section from 300 to 420 wagons per day.

(ii) *Renigunta-Gudur Section—Conversion into Broad Gauge (Southern Railway)*.—This work is estimated to cost Rs. 2,09 lakhs and a provision of Rs. 11 lakhs has been made in the budget year. The work is intended to provide a Broad Gauge connection between Gudur and Renigunta to reduce the haulage of traffic intended for or *via* Arkonam, Katpadi and Jalarpet and to relieve congestion in Madras area.

(iii) *Ahmedabad-Kalol doubling (Western Railway)*.—This work is proposed to be undertaken at a cost of Rs. 1·2 crores for increasing the line capacity around Ahmedabad area, to augment the suburban passenger services and to run additional goods trains. The scheme is under detailed examination.

(c) *Line Capacity Works*.—An overall provision of Rs. 3·3 crores has been made for various line capacity works, including the works mentioned in sub-para. (b) above. The important sections on which the line capacity is being augmented are:—

(i) The North East line of Southern Railway.

(ii) Raichur-Arkonam Section of Southern Railway.

(iii) Assam Rail Link on North Eastern Railway.

(iv) Itarsi-Naini Section of Central Railway to augment the movement of coal *via* Katni and *via* Chheoki.

(v) Anara-Jaychandipahar-Burnpur and Sini-Gomharria Sections of the Eastern Railway to meet the expanded requirements of the steel industry.

A statement listing works each costing between 5 and 20 lakhs is given on pages 26—30 of Part I of the Consolidated Works, Machinery and Rolling Stock Programmes.

55. *Investment in Road Services.*—A provision of Rs. 1·20 crores is proposed for investment in Road Services during 1954-55. A statement showing the investments made in 1953-54 is given at page 25 of the Programme mentioned in the last paragraph.

56. *Stores and Manufacture Suspense.*—A provision of *minus* Rs. 2·48 crores has been made to cover stores and manufacture operations. The decrease under stores is Rs. 2·93 crores due to curtailment of new purchases and maximum utilisation of the existing stocks. This is offset by a small increase of Rs. 45 lakhs under manufacturing operations.

57. *State Railway Collieries.*—A provision of Rs. 38 lakhs has been made for expenditure on collieries during the Budget year.

58. *Vizagapatam Port.*—A provision of Rs. 56 lakhs has been included in the programme for expenditure on works relating to this Port. This includes a provision of Rs. 26 lakhs for works connected with the establishment of the oil refinery which are estimated to cost Rs. 1·46 lakhs chargeable to the Railway Estimates.

59. Credits to the extent of Rs. 2·14 crores on account of released materials (1·91 crores) and Sinking Fund (0·23 crores) are expected to be adjusted in the Accounts during the Budget year on account of Works, Machinery and Rolling Stock Programmes during 1954-55. These are, however, excluded from the scope of the Demands.

60. The total net estimated expenditure of Rs. 95·00 crores during 1954-55 on Works, Machinery and Rolling Stock Programmes of the Railways is distributed demand-wise as follows:—

	Rs.
Demand No. 12A—Labour Welfare	1,24,56,000
Demand No. 12B—Other than Labour Welfare	5,37,63,000
Demand No. 15—Construction of New Lines	2,44,10,000
Demand No. 16—Additions	30,38,93,000
Demand No. 17—Replacements	44,39,27,000
Demand No. 18—Development Fund	10,59,37,000
Demand No. 19—Vizagapatam Port	56,14,000
TOTAL	95,00,00,000

For further particulars of the Budget Estimate for expenditure chargeable to Capital, Depreciation Reserve Fund, Development Fund and Open Line Works—Revenue, a reference is invited to the Consolidated Works, Machinery and Rolling Stock Programmes of Railways, Parts I and II.

NEW DELHI, P. C. BHATTACHARYYA,

Dated 19th February, 1954. *Financial Commissioner for Railways.*

APPENDIX I

WORKS IN PROGRESS

The important items under Works in Progress costing more than Rs. 20 lakhs each for which funds have been provided in 1954-55 are :—

(Figures in lakhs of rupees.)

Serial No.	Description of Work	Latest antici-pated cost	Approxi-mate expendi-ture to end of 1953-54	Provision in 1954-55	Balance to complete work
	CENTRAL RAILWAY				
1	Kalyan-Power House Extensions . .	3,05	2,88	14	3
2	Kurla-Trombay Rail Facilities for oil refineries at—.	77	46	25	6
3	Kalyan Power House—Providing additional 18 M. W. Plant . . .	70	...	5	65
4	Budni-Barkhera (Ghat)—New Down Main Line Doubling . . .	2,58	2,57	1	...
	EASTERN RAILWAY				
5	Khargpur subsidiary Yard and North and South avoiding line . . .	18 R 18	16	1	[illegible]
6	Provision of fans in class II compartments	24	15	1	8
7	Doubling of Anara-Jaychandipahar—Burnpur Section	1,55	10	76	69
8	Doubling of Sini—Gomharria Section .	48	10	20	18
9	Provision of a third line from Mile 5/B to East Dock Junction . . .	21	4	11	[illegible]
10	Development of BG.—MG Transhipment facilities at Sakrigali Manihari Ghat	35	27	4	4
	NORTHERN RAILWAY				
11	Allahabad Division. Doubling of line between Kanpur and Ekdil . .	1,78	1,42	2	34
12	Doubling between Malihabad—Bareilly section I to IV. . . .	99	90	1	8
13	New Delhi—Providing a new station building at—	20	4	5	11
14	Providing additional office accommodation in Baroda House. . .	24	16	6	2

(Figures in lakhs of rupees.)

Serial No.	Description of Work	Latest antici-pated cost	Approxi-mate expendi-ture to end of 1953-54	Provision in 1954-55	Balance to complete work
	NORTH EASTERN RAILWAY				
15	Pandu—Construction of Headquarters of Ex-Assam Railway and necessary staff quarters, etc.	1,41	1,35	5	1
16	Alipur Duar—Construction of New station, goods and marshalling yard and Loco shed with necessary staff quarters in connection with Junction arrangements	1,52	1,04	6	42
	ARLP	10			
17	Clutterbuckganj—Providing sleeper creosoting yard with plant, etc. . .	42	33	2	7
18	At mile 307/6 Cooch Bihar Section—Re-building Torsa Bridge . . .	20	6	10	4
19	Conversion of Tezpur Balipara from Narrow Gauge to Metre Gauge . .	41	5	8	28
20	Gorakhpur—Expansion of Workshop .	1 1,4	35	35	44
21	Gorakhpur—Remodelling Loco Shed .	28	6	2	20
	SOUTHERN RAILWAY				
22	Pakala Sub-Division—Regirdering and strengthening Bridges to B. L. standard	27	20	3	4
23	Gadag-Sholapur Branch—Regirdering to B. L. standard 100 ft. spans of Bridges Nos. 8 (12 x 100 ft. girders) and 76 (8 x 100 ft. girders)	21	...	1	20
24	Tiruvarur Junction—Remodelling of— .	25	2	5	18
	WESTERN RAILWAY				
25	Dohad—Providing a new Power House and Improvements to Power Supply at—	28	15	13	...
26	Ajmer—Replacing the existing generating plant in Ajmer Power House and improvements to Power supply at— .	31	1	4	26
27	Broad Gauge System—Regirdering and reconditioning (including strengthening as necessary) girders and re-building sub-structures of bridges which are at present not strong enough to carry 20 ton axle load standard (XC class engines)	1,34	67	6	61
28	Sevalia—Providing a high level bridge over the Mahi River at— . . .	53	50	3	...

(Figures in lakhs of rupees)

Serial No.	Description of Work	Latest antici-pated cost	Approxi-mate expendi-ture to end of 1953-54	Provision in 1954-55	Balance to complete work
29	Bandra-Borivli.—Electrification of through line between—including signalling work. . . .	21	20	1	..
30	Bandra-Borivli—Works required in connection with the intensification of suburban traffic between— . .	27	1	5	21
31	Narbada Bridge.—Raising south abut-ment groyne and providing an apron as protective measures to safeguard the south approach of the—(at mile 202-4966.)	17 12	2	4	11
	Ministry of Transport				
32	Integral Coach Building Factory, Perambur	4,61	1,44	2,65	52
33	Chittaranjan Locomotive Works. .	14,93	14,70	5	18

APPENDIX

Passenger

Railways	Provision of and improvement of latrines	Water supply at stations	Provision of waiting rooms, waiting halls and festival sheds including provision of water-borne sanitary latrines	Provision of refreshment rooms, retiring rooms and vendors stalls	Extending, raising, widening, surfacing and covering of platforms, etc.
1	2	3	4	5	6
Central	1,25	1,70	2,80	2,43	13,70
Eastern	87	3,18	6,87	15	12,84
Northern	72	1,23	9,53	20	14,53
North Eastern	3,27	1,86	2,84	1,46	18,38
Southern	15	10	5,94	3,64	14,19
Western	1,82	1,49	9,97	2,57	13,60
TOTAL	8,08	9,56	37,95	10,45	87,24

II

Amenities, 1954-55

(Figures in thousands of rupees)

Provision of new over-bridges and subways and extensions, improvements and covering of existing over-bridges	Improved lighting and provision of fans for stations platforms, waiting halls, etc.	Provision of bathing facilities at stations	Improved station approaches including improved lighting	Improvement to existing carriages, such as provision of fans, improved lighting, lavatories, etc.	Other works considered essential for meeting the requirements of passengers including booking facilities, improvement of passenger lines, etc.	Total
7	8	9	10	11	12	13
72	3,65	1,02	2,30	..	15,43	45,00
2,06	2,08	52	36	18,01	9,44	56,38
2,19	2,68	2	49	1,94	9,47	43,00
1,34	4,78	94	1,99	8,18	9,29	54,33
72	90	16	26	16,53	13,24	55,83
1,79	1,68	50	47	7,79	3,78	45,46
8,82	15,77	3,16	5,87	52,45	60,65	3,00,00

APPENDIX

Amenities for staff

Railways	WORKS					
	New Hospitals, Dispensaries and additions and improvements to existing ones	New Schools and additions, alterations and improvements to existing ones	New Institutes, Rest houses, Sports Grounds and Reading rooms and improvement and additions to existing ones	Provision and improvement of health and welfare works child welfare, and maternity centres, cooling arrangements for workshops, canteens and Rest rooms for workmen	Provision and improvement of sanitation, water supply, road-lighting and marketing facilities in Railway Colonies	Provision for officers' quarters
1	2	3	4	5	6	7
1. Central .	30	—	87	2,92	3,82	2,75
2. Eastern .	5,34	2,93	88	4,18	9,70	1,92
3. Northern .	6,64	40	92	1,29	4,03	11,21
4. North Eastern	1,29	—	—	1,41	11,31	1,93
5. Southern .	8,45	—	50	66	5,76	1,92
6. Western .	1,88	9	53	4,38	9,38	1,54
TOTAL .	23,90	3,42	3,70	14,84	44,00	21,27

III

in 1954-55

(Figures in thousands of rupees)

				OTHER SERVICES					
New Quarters for Class III staff and improvements and alterations to existing quarters	Quarters for Class IV staff	Other Works	Total	Medical expenses	Health & Welfare Services	Education	Canteen and other staff amenities	Total	Grand Total
8	9	10	11	12	13	14	15	16	17
25,10	27,75	16,49	80,00	28,43	28,64	6,73	6,58	70,38	1,50,38
61,77	67,99	4,16	1,58,87	30,24	70,56	20,66	3,59	1,25,05	2,83,92
61,73	36,23	6,58	1,29,03	18,76	30,88	15,22	2,02	66,88	1,95,91
3C,14	19,54	1,46	67,08	22,71	29,18	7,15	1,66	60,70	1,27,78
30,18	29,18	5,00	81,65	26,83	18,43	3,92	3,49	52,67	1,34,32
34,38	14,60	97	67,75	21,35	14,98	6,96	1,57	44,86	1,12,61
2,43,30	1,95,29	34,66	5,84,38	1,48,32	1,92,67	60,64		4,20,54	10,04,92

APPENDIX IV

CAPITAL AND DEPRECIATION RESERVE FUND EXPENDITURE ON OPEN LINES AND NEW CONSTRUCTIONS DURING 1954-55

(Figures in thousands of rupees)

Railways	OPEN LINES						NEW CONSTRUCTIONS					
	Rolling Stock		Other Items		Total		Lines in Progress		New Lines		Total	
	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund
Central	63,82	42,87	—86,20	2,65,84	—22,38	3,08,71	..	..	..	..	..	..
Eastern	37,51	2,01,21	1,59,07	3,11,35	1,96,58	5,12,56	81,61	11	20,00	..	1,01,61	11
Northern	11,91	52,38	53,22	1,89,54	65,13	2,41,92	50	..	1,25	..	1,75	..
North Eastern	1,19,38	68,64	72,05	1,89,40	1,91,43	2,58,04	2,42	..	..	..	2,42	..
Southern	94,19	98,33	1,53,98	2,21,85	2,48,17	3,20,18	20,00	..	..	..	20,00	..
Western	55,76	54,55	1,88,38	2,65,93	2,44,14	3,20,48	31,58	..	..	..	31,58	..
Chittaranjan Locomotive Works	..	..	78,03	..	78,03	..	..	..	..	..	..	..
Integral Coach Factory (Perambur)	..	..	2,78,27	..	2,78,27	..	..	..	..	..	..	..

Ganga Bridge	..	..	..	..	..	..	99,50	..	..	..	99,50	..
Railway Board	20,25,69	26,05,68	..	..	20,25,69	26,05,68	..	..	..	..	..	..
State Railway Collieries	..	..	15,16	.	15,16	..	..	..	..	..	..	..
TOTAL	24,08,26	31,23,66	9,11,96	14,43,91	33,20,22	45,67,57	2,35,61	11	21,25	..	2,56,86	11
Probable Savings	..	..	..	..	-1,71,66	-2,37,93	.	..	..	..	—12,87	..
TOTAL—OPEN LINES AND NEW CONSTRUCTIONS	..	..		..	31,48,56	43,29,64	.	..	..	..	2,43,99	11
Vizagapatam Port	2,71	..	53,93	..	56,14	..	..	..	..	..	..	..

APPENDIX V

DEVELOPMENT FUND EXPENDITURE ON OPEN LINES AND NEW CONSTRUCTIONS DURING 1954-55

(Figures in thousands of rupees)

Railways	Open Line Works			New Constructions and Restorations		
	Works in Progress	New Works	Total	Lines in Progress	New Lines	Total
Central .	66,15	28,30	94,45	10,00	..	10,00
Eastern . .	86,85	60,61	1,47,46	4,24	..	4,24
Northern . .	53,61	46,69	1,00,30	1,39,75	3,00	1,42,75
North-Eastern .	98,01	29,58	1,27,59	17,45	.	17,45
Southern . .	64,47	40,14	1,04,61	1,55,27	..	1,55,27
Western . .	58,78	49,28	1,08,06	*1,02,95	..	1,02,95
TOTAL .	4,27,87	2,54,60	6,82,47	4,29,66	3,00	4,32,66
Probable Savings			—34,13			—21,63
Net . .			6,48,34			4,11,03

* Includes 120 lakhs for "Plant and Machinery".

APPENDIX VI

CAPITAL AT CHARGE OF INDIAN GOVERNMENT RAILWAYS, ETC.

(Figures in lakhs of rupees)

Heads	1952-53	1953-54	1954-55
1. Central	1,64,60	1,65,91	1,65,59
2. Eastern	2,18,27	2,22,78	2,25,58
3. Northern	1,35,18	1,36,75	1,37,37
4. North Eastern	84,05	86,10	87,94
5. Southern	1,16,31	1,18,92	1,21,46
6. Western	1,09,31	1,13,11	1,15,79
7. Chittaranjan Locomotive Works	21,25	21,65	22,42
8. Integral Coach Factory (Perambur)	63	1,52	4,17
9. State Railway Collieries	7,31	7,54	7,69
10. Railway Board and other Misc. items	—	43	19,68
11. Mokameh—Providing a B.G. Rail-*cum*-Road Bridge over the Ganga at—	47	45	1,40
TOTAL	8,57,38	8,75,16	9,09,09

NOTE 1.—The figures included under Eastern, Northern & North Eastern Railways relating to the portions of the *ex*-Assam, *ex*-Eastern Punjab and sections of late Bengal Assam Railway amalgamated on partition with *ex*-E. I. Railway, represent only the estimated Capital-at-Charge.

OTE 2.—Capital-at-Charge of States lines which were amalgamated with Government Railways during 1949-50 and of those worked lines which are vested in the Centre from 1950-51 has been added to the capital of respective Railways. These figures are still provisional.

APPENDIX VII

Statement of Revenue Receipts and Expenditure of Indian Government Railways

Budget Estimate 1954-55 (Figures in thousands of Rupees)

	Central	Eastern	Northern	North Eastern	Southern	Western	Total
Traffic Earnings—							
(*a*) Coaching—							
(*i*) Passengers—							
Upper	2,60,91	2,38,16	1,77,61	67,96	1,98,16	1,97,40	11,40,20
Third	15,86,79	17,00,55	15,33,84	10,92,56	16,53,37	14,43,86	90,10,97
ii)Other Coaching	4,29,95	3,50,99	2,69,87	87,42	3,01,26	3,10,71	17,50,20
l)Goods	31,15,00	46,28,62	19,64,44	9,21,90	20,13,60	22,16,34	1,48,59,90
(*c*) Sundry Other Earnings	91,95	1,19,28	93,85	42,56	87,05	72,51	5,07,20
Total	54,84,60	70,37,60	40,39,61	22,12,40	42,53,44	42,40,82	2,72,68,47
Suspense	...	...	12,93	5,00	...	39,00	56,93
Gross Traffic Receipts	54,84,60	70,37,60	40,52,54	22,17,40	42,53,44	42,79,82	2,73,25,40
Working Expenses—							
Ordinary Working Expenses—							
(*i*) Administration	4,42,88	7,94,79	4,34,19	3,45,59	4,22,21	3,80,47	•28,20,13
(*ii*) Repairs and Maintenance	12,32,74	19,03,94	9,75,70	7,21,61	9,35,48	9,03,49	66,72,96
(*iii*) Operating Staff	7,64,36	11,48,82	7,13,82	4,57,34	7,55,16	5,62,51	44,02,01
(*iv*) Operation (Fuel)	4,84,21	—57,05	4,06,16	2,04,85	7,81,48	3,97,42	22,17,07
(*v*) Operation other than Staff and Fuel	2,47,61	1,92,51	1,27,63	1,34,19	1,15,14	1,84,52	10,01,60
(*vi*) Miscellaneous Expenses	3,43,47	6,56,34	2,46,23	2,26,17	3,12,27	2,09,24	19,93,72
(*vii*) Labour Welfare	70,38	1,25,05	66,88	60,70	52,67	44,86	4,20,54
Total	35,85,65	47,64,40	29,70,61	21,50,45	33,74,41	26,82,51	1,95,28,03
Suspense	—6,65	—56,85	—7,17	—7,20	—7,77	—12,00	—97,64
Total Ordinary Working Expenses	35,79,00	47,07,55	29,63,44	21,43,25	33,66,64	26,70,51	1,94,30,39
Appropriation to Depreciation Fund	5,90,00	7,92,26	4,86,32	3,06,24	4,22,92	4,02,26	30,00,00
Payments to worked lines as share of earnings	10,24	...	...	2,22	9,91	...	22,37
Total Working Expenses	41,79,24	54,99,81	34,49,76	24,51,71	37,99,47	30,72,77	2,24,52,76
Net Traffic Receipts	13,05,36	15,37,79	6,02,78	—2,34,31	4,53,97	12,07,05	48,72,64

Miscellaneous Transactions—							
(a) Receipts—							
(i) Guarantee recoverable from Local Governments for unremunerative lines	..	..	..	..	84	..	84
(ii) Other receipts from subsidised companies	3,02	..	..	17	..	..	3,19
(iii) Miscellaneous Railway receipts	3	10	71	2	3	17	1,06
Total Receipts	3,05	10	71	19	87	17	5,09
(b) Expenditure—							
(i) Rebate	..	..	..	10	..	..	10
(ii) Land	..	7	..	..	..	..	7
(iii) Surveys	1,35	85	..	2,00	4,57	1,64	10,41
(iv) Open line Works—Revenue	1,03,15	1,28,38	89,22	1,20,28	1,09,08	1,12,08	6,62,19
Total Expenditure	1,04,50	1,29,30	89,22	1,22,38	1,13,65	1,13,72	6,72,77
Net Miscellaneous Receipts	—1,01,45	—1,29,20	—88,51	—1,22,19	—1,12,78	—1,13,55	—6,67,68
Net Revenue	12,03,91	14,08,59	5,14,27	—3,56,50	3,41,19	10,93,50	42,04,96
Dividend to General Revenues	6,62,99	9,00,40	5,32,95	3,47,96	4,77,54	4,57,80	33,79,64
Gain or loss for the year	5,40,92	5,08,19	—18,68	—7,04,46	—1,36,35	6,35,70	8,25,32
Add							
Other Miscellaneous Receipts							25,59
Deduct—							
Dividend to General Revenues							1,70,21
Subsidy							7,77
Miscellaneous Expenditure							1,58,89
Surplus							5,14,04

APPENDIX VII—A

Statement of Revenue Receipts and Expenditure of Indian Government Railways, 1954-55

(Figures in thousands of rupees)

	Actuals, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
Traffic Earnings—				
(*a*) Coaching—				
(*i*) Passengers—				
Upper	11,96,05	11,40,20	11,39,92	11,40,20
Third	88,42,33	90,38,10	89,86,20	90,10,97
(*ii*) Other Coaching	18,16,87	18,49,70	17,99,90	17,50,20
(*b*) Goods	1,46,11,88	1,47,60,50	1,47,13,40	1,48,59,90
(*c*) Sundry Other Earnings	5,12,05	4,64,25	5,02,59	5,07,20
Total	2,69,79,18	2,72,52,75	2,71,42,01	2,72,68,47
Suspense	76,79	—24,45	58,44	56,93
Gross Traffic Receipts*	2,70,55,97	2,72,28,30	2,72,00,45	2,73,25,40
Working Expenses—				
Ordinary Working Expenses—				
(*i*) Administration	26,18,49	26,69,65	27,40,81	28,20,13
(*ii*) Repairs and Maintenance	64,20,71	65,46,00	67,25,85	66,72,96
(*iii*) Operating Staff	41,15,94	42,33,00	42,93,13	44,02,01
(*iv*) Operation (Fuel)	22,20,14	21,57,59	23,19,66	22,17,07
(*v*) Operation other than Staff and Fuel	13,48,02	13,56,43	13,75,72	10,01,60
(*vi*) Miscellaneous Expenses	17,11,70	17,52,63	18,97,21	19,93,72
(*vii*) Labour Welfare	3,63,88	4,11,22	4,10,50	4,20,54
Total	1,87,98,88	1,91,26,52	1,97,62,88	1,95,28,03
Suspense	—3,00	—27,96	—30	—97,64
Total Ordinary Working Expenses	1,87,95,88	1,90,98,56	1,97,62,58	1,94,30,39
Appropriation to Depreciation Reserve Fund	30,00,00	30,00,00	30,00,00	30,00,00
Payments to worked lines as share of earnings	21,20	21,22	23,94	22,37
Total Working Expenses	2,18,17,08	2,21,19,78	2,27,86,52	2,24,52,76
Net Traffic Receipts	52,38,89	51,08,52	44,13,93	48,72,64
Miscellaneous Transactions—				
(*a*) Receipts—				
(*i*) Guarantee recoverable from Local Governments for unremunerative lines	..	81	1,18	84
(*ii*) Other receipts from subsidised companies	4,31	2,66	3,18	3,19
(*iii*) Miscellaneous Railway Receipts	27,45	28,62	27,56	26,65
Total Receipts	31,76	32,09	31,92	30,68
(*b*) Expenditure—				
(*i*) Rebate	9	..	10	10
(*ii*) Subsidy	6,57	8,42	6,86	7,77
(*iii*) Land	7	7	7	7
(*iv*) Surveys	2,13	14,02	5,52	10,41
(*v*) Miscellaneous Railway Expenditure	1,38,73	1,41,64	1,55,37	1,58,89
(*vi*) Open Line Works—Revenue	4,04,82	5,68,52	5,13,28	6,62,19
Total Expenditure	5,52,41	7,32,67	6,81,20	8,39,43
Net Miscellaneous Receipts	—5,20,65	—7,00,58	—6,49,28	—8,08,75
Net Revenue	47,18,24	44,07,94	37,64,65	40,63,89
*Includes receipts of Worked Lines	88,69	76,03	76,04	74,88

APPENDIX VII A—*concld.*

(Figures in thousands of rupees)

	Actuals, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
Net Revenue B. F.	47,18,24	44,07,94	37,64,65	40,63,89
Dividend to General Revenues	33,99,47	34,76,94	34,46,46	35,49,85
Profit for the year	13,18,77	9,31,00	3,18,19	5,14,04

The figures of Actuals, for 1952-53 and those for Budget Estimate and Revised Estimate for 1953-54 are exclusive of freight charges which were eliminated from the Financial Accounts of Railways with effect from 1-4-52. The figures of Budget Estimate for 1954-55 provide for an extra credit of 1·35 crores to working expenses on account of freight charges to be incurred on works, etc. from 1-4-54 as adjustment for such charges is to be revived from that date.

APPENDIX VIII

Depreciation Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawals towards renewals and replacements	Net accretion to Fund during the year	Nominal closing balance	Temporary loans to meet deficit	Actual closing balance *
1924-25 . .	10,35	7,29	3,06	3,06	..	3,06
1925-26 . .	10,67	7,99	2,68	5,74	..	5,74
1926-27 . .	10,89	8,05	2,84	8,58	..	8,58
1927-28 . .	11,38	10,95	43	9,01	..	9,01
1928-29 . .	12,00	9,60	2,40	11,41	..	11,41
1929-30 . .	12,59	11,76	83	12,24	..	12,24
1930-31 . .	13,07	11,39	1,68	13,92	..	13,92
1931-32 . .	13,46	8,26	5,20	19,12	4,25	14,87
1932-33 . .	13,77	6,35	7,42	26,54	10,23	12,06
1933-34 . .	13,56	8,07	5,49	32,03	7,96	9,59
1934-35 . .	13,72	8,66	5,06	37,09	5,06	9,59
1935-36 . .	13,26	9,16	4,10	41,19	4,00	9,69
1936-37 . .	13,17	7,88	5,29	46,48	—1,21	16,19
1937-38 . .	12,59	(*a*) 7,69	4,90	(*b*) 49,90	..	(*b*) 19,61
1938-39 . .	12,56	7,08	5,48	55,38	..	25,09
1939-40 . .	12,59	6,53	6,06	61,44	..	31,15
1940-41 . .	12,64	7,19	5,45	66,89	..	36,60
1941-42 . .	12,68	5,35	7,33	74,22	—7,91	51,84
1942-43 . .	(*c*) 12,80	4,95	7,85	82,07	(*d*) —22,38	82,07
1943-44 . .	16,87	6,64	10,23	92,30	..	92,30

*The closing balances from 1933-34 to 1941-42 include Rs. 9 lakhs on account of loans to branch line companies and those from 1937-38 to 1941-42 also include Rs. 31 lakhs on account of investments in branch line shares. In 1942-43 these amounts were transferred to the Railway Reserve Fund Investment Account.

(*a*) Includes 32 lakhs written off capital on account of abandoned assets.

(*b*) Excludes 1,48 lakhs, balance for Burma Railway.

(*c*) Includes 23 lakhs transferred from Bengal and North Western and Rohilkund and Kumaon Railways' Renewal suspense.

(*d*) Includes 6,30 lakhs transferred from the Railway Reserve Fund.

APPENDIX VIII—*concld.*

Depreciation Reserve Fund

(In lakhs of rupees)

Year	Appro-priation to Fund	With-drawals towards renewals and repla-cements	Net accretion to Fund during the year	Nominal closing balance	Temporary loans to meet deficit	Actual closing balance *
1944-45 . .	17,01	8,18	8,83	(f)1,02,21	..	(f)1,02,21
1945-46 . .	(e)17,25	12,01	5,24	1,07,45	..	1,07,45
1946-47 . .	13,21	12,37	84	1,08,29	..	1,08,29
1947-48 (1-4-47 to 14-8-1947) .	6,86	2,66	4,20	(g)1,12,49	..	(g)1,12,49
1947-48 (15-8-47 to 31-3-48) .	6,81	3,27	3,54	(h)95,74	..	(h)95,74
1948-49 . .	(i)23,11	17,28	5,83	1,01,57	..	1,01,57
1949-50 . .	19,17	11,73	7,44	1,09,01	..	1,09,01
1950-51 . .	33,59	26,63	6,96	(j)1,23,65	..	(j)1,23,65‡
1951-52 . .	(k)33,79	35,87	—2,08	1,22,02	..	(l) 1,22,02‡
1952-53 . .	(m)34,42	40,89	—6,47	1,16,36	..	(n)1,16,36‡
1953-54 (Revised Estimate) .	(o)33,83	42,33	—8,50	1,07,86	..	1,07,86‡
1954-55 (Budget Estimate) .	(p)33,60	43,30	—9,70	98,16	..	98,16‡

(e) Includes 20 lakhs recovered from the Bengal and North Western Company on account of over-age rolling stock.

(f) Includes 1,08 lakhs transferred from Renewal Reserve Fund for permanent way and rolling stock of the Bengal Nagpur, Madras and Southern Mahratta and South Indian Railways.

(g) Includes 20,30 lakhs, the estimated balance relating to Pakistan Railway.

(h) Excludes 20,30 lakhs, the estimated share less 1·19 lakhs on account of abandoned assets relating to Pakistan Railways.

(i) Includes 11,80 lakhs appropriated from the surplus.

(j) Includes 7,67 lakhs (Provisional) on account of Indian States Railways taken over from 1-4-1950. Difference of 1 is due to rounding.

(k) Includes 3,58 lakhs on account of interest on the balance and 21 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(l) Includes 8,12 lakhs (Provisional) on account of ex-Indian States Railways taken over from 1-4-1950.

(m) Includes 4,09 lakhs on account of interest on the balance and 33 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(n) Includes 8,93 lakhs on account of ex-Indian States Railways taken over from 1-4-1950.

(o) Includes, 3,47 lakhs on account of interest on balance and 36 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(p) Includes 3,22 lakhs on account of interest on balance and 38 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

‡ These figures are provisional as the balances of the ex-States Railways merged therein have not yet been finalised.

APPENDIX IX

Revenue Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawal from Fund	Net accretion to Fund during the year	*Closing balance
1924-25	6,38	(a)38	6,00	6,00
1925-26	3,79	..	3,79	9,79
1926-27	1,49	..	1,49	11,28
1927-28	4,57	..	4,57	15,85
1928-29	2,58	..	2,58	18,43
1929-30	..	2,08	—2,08	16,35
1930-31	..	10,93	—10,93	5,42
1931-32 . .	..	4,95	—4,95	47
1932-33	..	..	..	47
1933-34	..	..	..	47
1934-35	..	..	..	47
1935-36	..	..	..	47
1936-37	..	..	..	47
1937-38	(b)1	..	1	48
1938-39	..	..	..	48
1939-40	..	..	..	48
1940-41	(c)6,31	90	5,41	5,89
1941-42	..	—90	90	6,79
1942-43	8,86	(d)6,30	2,56	9,35
1943-44	13,20	..	13,20	22,55
1944-45	17,89	2,96	14,93	37,48
1945-46	6,20	5,55	65	38,13
1946-47	(b)13	(e)15,25	—15,12	(f)23,02

*The closing balances include 47 lakhs from 1925-26 to 1936-37, 48 lakhs from 1937-38 to 1939-40, 43 lakhs from 1940-41 to 1941-42, 83 lakhs from 1942-43 to 1943-44, 90 lakhs in 1944-45, 83 lakhs in 1945-46, 52 lakhs in 1946-47, 26 lakhs from 1947-48 to 1950-51, 28 lakhs in 1951-52, 40 lakhs in 1952-53 and 47 lakhs in 1953-54 and 1954-55 on account of investments n shares of and loans to Branch Line Companies.

(a) Represents amount utilised to write down the difference between the book values and the current market price of stores.
(b) Includes Rs. 1 lakh profit realised on investment in branch line share cancelled.
(c) Includes one lakh profit realized on cancellation of investments in branch line shares.
(d) Transferred to Depreciation Reserve Fund.
(e) Includes Rs. 12 crores transferred to Betterment Fund.
(f) Difference of 1 is due to rounding.

APPENDIX IX—*concld.*

Revenue Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawal from Fund	Net accretion to Fund during the year	*Closing balance
1947-48 (1-4-47 to 14-8-47) .	..	(g) 13,60	—13,60	9,42
1947-48 (15-8-47 to 31-3-48) .	..	(h)2,58	— 2,58	6,84
1948-49	(i)3	5	—2	6,82
1949-50	..	..	..	6,82
1950-51	5,40	—1	5,41	(j)13,58
1951-52	(k)19,12	—18	19,30	(l)33,72‡
1952-53	(m)2,26	—4	2,30	(n)36,05‡
1953-54 (Revised Estimate) .	(o)1,13	..	1,13	37,18‡
1954-55 (Budget Estimate) .	(p)1,18	..	1,18	38,36‡

(g) To meet Railway deficit.

(h) To meet Railway deficit.

(i) Represents profit accrued on account of cancellation of investments in Branch line shares.

(j) Includes 1,35 lakhs (Provisional) on account of Indian States Railways, taken over from 1-4-50.

(k) Includes 78 lakhs on account of interest on balance and dividend, etc. on investments in shares of and loans to Branch Line Companies.

(l) Includes 2,19 lakhs (Provisional) on account of Indian States Railways taken over from 1-4-1950.

(m) Includes 1,07 lakhs on account of interest on balance and dividend etc. on investments in shares of and loans to Branch Line Companies.

(n) Includes 222 lakhs (Provisional) on account of ex-Indian States Railways, taken over on 1-4-50.

(o) Represents interest on balance and dividend, etc. on investments in shares of and loans to Branch Line Companies.

(p) Represents interest on balance and dividend, etc. on investments in shares of and loans to Branch Line Companies.

‡ These figures are provisional as the balances of the ex-States Railways merged therein have not yet been finalised.

APPENDIX X

Development Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawal from Fund	Net accretion to Fund during the year	Closing balance
1946-47	(a)15,24	(d)41	14,83	14,83
1947-48 (1-4-47 to 14-8-47)	(b)18	(e)34	—16	14,67
1947-48 (15-8-47 to 31-3-48) .	(b) 30	59	—29	14,38
1948-49	(c)1,27	2,33	—1,06	13,32
1949-50	(b)43	—5	48	13,80
1950-51	10,52	5,35	5,17	(f)19,44‡
1951-52	(g)10,65	7,70	2,95	(h)22,48‡
1952-53	(i)12,76	8,10	4,66	(h)27,14‡
1953-54 (Revised Estimate) .	(j)3,89	12,41	—8,52	18,62‡
1954-55 (Budget Estimate) .	(k)5,64	10,59	—4,95	13,67‡

(a) This is made up of 12 crores transferred from Railway Reserve Fund, 3 crores from the Railway surplus for 1946-47 and 24 lakhs interest on balance.

(b) Represents only interest on balance.

(c) This includes 43 lakhs on account of interest on balance.

(d) Includes 5 lakhs for B. A. & N. W. Railways.

(e) Includes 5 lakhs for B. A. & N. W. Railways.

(f) Includes 47 lakhs (Provisional) on account of Indian States Railways taken over from 1-4-50.

(g) Includes 65 lakhs on account of interest on balance.

(h) Includes 56 lakhs (Provisional) on account of Indian States Railways taken over from 1-4-50.

(i) Includes 76 lakhs on account of interest on balance.

(j) Includes 71 lakhs on account of interest on balance.

(k) Includes 50 lakhs on account of interest on balance.

‡ These figures are provisional as the balances of the ex-States Railways merged therein have not yet been finalised.

Speech of the Finance Minister on introducing the Budget for 1954-55 on 27th February, 1954.

Sir, I present the statement of the estimated receipts and expenditure of the Government of India for the year 1954-55.

Review of economic conditions

2. The presentation of the annual budget provides an opportunity for a review of the economic conditions of the year which form the background against which the budget for the coming year has been prepared and I propose to give a brief account of the main features of the country's economy in the year now drawing to a close.

3. Like other countries India has been going through a process of return to more normal conditions after the war, a process which was disturbed and delayed by the outbreak of the Korean war and its after-math. The return to "normality" commenced in 1952 and continued during 1953. Thus while at the end of December, 1951 the price index of all commodities had risen from 397·1 immediately before the commencement of the Korean war to 432·2, by the end of December, 1952 it had fallen to 374·5, well within the level reached at the time of the outbreak in Korea. In 1953 the variations of prices were within a narrower range than in the previous year and at the end of December, 1953 the index number had risen by a little under 5 per cent. and stood at 392·6. Throughout the earlier months of the year and until about the middle of August there was a continuous but a moderate rise in prices, largely caused by temporary factors. The supply position was slightly difficult and the difficulty was aggravated by expectations of lower output in certain important commodities like black pepper, sugar, cotton and gound nuts. The demand for certain commodities like sugar and cotton also rose owing to increased internal consumption and the phychological effect of all these factors was to generate an upward movement of prices. Measures were taken from time to time to improve the supply position and bring down prices and among these I would mention the imposition of the ban on the export of sugar and gur, restriction on the export of groundnut oil, liberalisation of imports of coconut oil and copra, reduction in import duties on palm oil, copra, sugar

and cotton, seed oil, the opening of fair price shops, the issue of a large quantity of foodgrains and the reduction in the price of imported wheat supplied by the Centre. These measures played an important part in arresting the upward movement of prices and between August and December there was a continuous decline. The general index number at the end of December was 20 points less than the peak figure reached in the middle of August. Since then there has been a slight increase but there is yet no evidence that this is not due to purely temporary and seasonal causes.

4. Over a wide field there was also marked increase in production during 1953. The domestic production of cloth and cement reached new records. Most of the other industries also showed a significant increase in their production. The general index number of industrial production, which stood at 128·7 in 1952, the highest for any post-war year, was exceeded in 1953, the average for the first nine months being over 133. Though later figures are not yet available, there is good reason to believe that 1953 would be the best year yet for industrial production. This achievement is noteworthy because in some very important industries production was below normal owing to certain special factors. The strike in a steel plant resulted in a drop in the production of iron and steel, the total for which is now estimated at a little below the 1·1 million tons reached in 1952. Similarly the production of copper dropped by nearly a sixth on account of a strike. Jute manufactures were about 83,000 tons below the output of 1952, during part of which year the mills worked longer hours. Sugar production was also nearly 2 lakh tons less than in 1952 owing to a smaller acreage under sugarcane and the diversion of part of the cane supplies to the production of gur. The fact that, in spite of the drop in production in some individual industries, the general index number of industrial production in 1953 will be higher than in 1952 gives an indication of the progress achieved.

5. Industry, however, cannot be said to have been entirely free from difficulties. The jute industry was faced with the problem of maintaining its export market and had to be assisted by a readjustment of the export duties. The tea industry was also helped to meet a difficult situation created by the fall in the price of tea and is now in a healthier position than it was at the beginning of the year. Lack of demand is also affecting certain industries like paints, power-driven pumps and asbestos cement sheets. But the complaint so common in

1952 that industry in general was facing a severe recession may now be said to have largely disappeared. Nevertheless, the need for increasing efficiency and economy, especially in markets characterised by keener competition, still remains paramount.

6. The improvement in the general food situation recorded in 1952 was maintained during 1953. With the sustained improvement in production there has been a drop in food prices and at one stage there was concern in certain quarters over the possibility of prices falling below the economic level in certain parts of the country. The improvement in the food position has made it possible to relax controls in several directions. Gram has been completely decontrolled as also coarse grains except in a few areas. Controls on wheat have also been relaxed with the exception of certain restrictions on inter-State movements. The year 1953 closed with a comfortable stock of about 15 lakh tons of foodgrains, of which about 5 lakh tons were held in the Central reserve. The prospects for the coming harvest are generally good and, if the monsoons do not disappoint us next year, the food prospects may be said to be reassuring. In view of this improved position the target of food imports next year has been fixed at a much lower figure than in recent years: any improvement in this respect also improves materially the country's balance of payments position.

7. The production of cash crops during 1953 was also good except in the case of jute, which has shown a decline, partly due to adverse weather conditions and partly to fall in prices at the time of sowing.

8. While the general economic situation in the country continues to improve, there has, in recent months, been an aggravation of the problem of unemployment. The number of the unemployed registered with the Exchanges rose continuously from 425,000 in March 1953 to 522,000 in December. The problem of unemployment has been discussed at great length on the floor of the House and I had occasion to explain both the dimensions of the problem and the measures that Government have in hand for dealing with it. I should only like to reiterate what I have said in the past, namely, that the problem should be viewed in its proper perspective. Unemployment is not a short term phenomenon calling for short term remedies. It is one which calls for long term measures and ultimately it is only by a considerable increase in economic activity that it will

be possible to absorb the increasing number of men and women who come out of our schools and universities year by year. This means an increase in the tempo of development in which both the public and the private sectors have to take their due share. So far as the public sector is concerned, the Planning Commission have recently expanded the Plan to the extent of Rs. 175 crores, mainly to assist in meeting the situation created by unemployment in rural and urban areas. Measures for increasing employment opportunities have become an integral part of the Plan and in the orderly implementation of the Plan lies, in my view, the most promising method of easing the position.

9. I just mentioned the role of the private sector in mitigating unemployment. Industry has to expand and new industries providing wider opportunities for employment have to spring up in the country. To assist in such a development Government have under consideration the question of setting up an Industrial Development Corporation to stimulate the flow of capital into new industries. As I mentioned in the statement I made in the House last Wednesday, Govt. are also exploring possibilities of bringing into existence, with the co-operation of private interests both in this country and outside, of another Corporation to promote the expansion of industry. These discussions, in which the International Bank for Reconstruction and Development are also taking interest, are still in their preliminary stages and the House will appreciate that I am now in no position to say anything definite about the outcome.

Balance of Payments

10. The country's balance of payments position was generally satisfactory during the year that is now drawing to a close. The House will remember that for the first time, after a series of deficits earlier that year, a heartening surplus in the external accounts emerged in the third quarter of 1952. This trend became more pronounced in the last quarter of that year the surplus for which amounted to Rs. 38 crores, Rs. 13 crores more than in the preceding three months. From the beginning of 1953, however, the surplus began to decline and in the second quarter of 1953 a deficit of about Rs. 10 crores emerged for the first time in twelve months. In the third quarter of last year we nearly balanced our account, and for the last quarter, for which final figures are not yet available, there may well be a

small surplus. Taking the year as a whole we are likely to have a moderate surplus, which is reflected in the Sterling balances held by the Reserve Bank, which have risen from Rs. 706 crores at the end of December, 1952 to Rs. 723 crores by the end of December, 1953. This overall improvement has, however, been achieved at a reduced level of trade. Export receipts for the first nine months of 1953 amounted to only Rs. 375 crores, registering a decline of Rs. 125 crores compared with the corresponding period of 1952. But this decline in export earnings has been more than balanced by the decline in imports which at Rs. 434 crores were less by Rs. 174 crores as compared with the previous year.

11. The fall in the country's export earnings is, in the main. due not to a contraction of exports but to a fall in export prices. Over the whole field of international trade we are now definitely in a buyer's and not a seller's market and the effect of this transition on prices has to be constantly kept in mind in regulating the country's export trade. It is not enough to maintain the present quantities of exports and the markets for them at that level. It is necessary to off set the fall in export earnings due to a reduction in prices by expanding the country's exports. During the course of the year many export duties were readjusted with this end in view. The duties on hessian, linseed, and linseed oil were reduced while the duties on some cotton goods and on selected jute manufactures like twist, yarn, rope and twine, hessians other than cloth and bags and all other descriptions of jute manufactures were totally abolished. These measures appear to have had a healthy effect and trade in the three principal commodities figuring in our export trade, namely, jute, tea and cotton textiles appears, in recent months, to have recovered from the difficulties which faced it in selling these goods abroad. In order to allow new lines of export to develop, the Sea Customs Act has also been recently amended to permit the grant of a rebate of import duty on raw materials and components used in the manufacture of goods subsequently exported. A special organisation to deal with export promotion has also been set up.

12. The reduced payments for imports in 1953, as compared with the previous year, have to be considered against the background of the special factors which accounted for the high level of imports in the latter year, in which there were very substantial imports of wheat and raw cotton. The improvement in the food position and the increase in the production of cotton has led to a contraction of imports of both in the current year.

Although industrial production has, on the whole, remained buoyant, the demand for supplies of raw materials from abroad has not been on a level commensurate with the higher output. Part of this may be explained by the switch over to indigenous supplies and the running down of inventories. But the position is not one which need cause anxiety, especially when one remembers the somewhat exceptional level of imports in the previous year against which the fall is measured.

Dollar Position

13. The improvement in the dollar position during last year was even more striking than the improvement in the balance of payments position as a whole. In the first nine months of 1952 we had a deficit of Rs. 127 crores on current account; in the corresponding period of 1953 we had a surplus of Rs. 18 crores. This improvement is largely due to smaller payments for food and cotton purchases from the United States. In the latter half of 1952 India's contribution to the gold and dollar reserved of the Sterling Area amounted to $70 million against a net drawal of $188 million in the first half of that year. In the first half of 1953 we had to draw a small sum of $14 million from the Central pool. Figures for the latter half of 1953 are not yet available but the preliminary figures indicate that during the five months ended last November we made a net contribution of $22 million to the Central reserves.

14. The improvement in the balance of payments position of this country has also materially assisted in strengthening the Sterling Area's position as a whole. I do not propose to say anything in detail now about the conference of Commonwealth Finance Ministers held last month in Sydney, as I have already made a full statement on the subject on the floor of the House. The Conference provided an opportunity for a free and frank exchange of views among representatives of the participating Governments and the review of the progress of their development plants. While individual countries would pursue policies best suited for their own needs, there was general agreement that all of them should follow sound internal policies, increase production and facilitate the expansion of world trade which would make it possible to achieve the multilateral convertibility of Sterling and other important currencies. So far as India is concerned, I would only repeat what I said last year, that the pursuit of

these policies does not involve the adoption of any new policy by Government. By resolutely persevering in the implementation of the Five Year Plan we shall best serve the interests of both ourselves and the Sterling Area.

15. Before leaving the subject of external finance I should like to make a brief mention of a few other matters of interest in this connection. As the House is aware, we have taken a number of loans from the International Bank for Reconstruction and Development for some of our development projects and the question of increasing this arena of assistance is under constant consideration. A mission of senior officials of the Bank visited this country last September with the object of studying the trends in the country's economy and considering the possibilities of further participation by the Bank in new projects. The report of the Mission is still awaited but, meanwhile, discussions are going forward for obtaining assistance from the Bank for the setting up of a thermal station in Trombay and financing a hydro-electric generator, which is part of the Koyna multipurpose project.

16. In view of the satisfactory balance of payments position we are also proposing to repurchase from the International Monetary Fund a portion of our currency which we sold to the Fund in 1948 in exchange for dollars when we needed the dollars to meet the heavy balance of payments deficits with the dollar area during that year. Out of the total outstanding of $100 million, we propose to repurchase the equivalent of $72 million, of which the equivalent of $36 million will be purchased next month and the balance in the coming year. The repurchase of the rupees will result in a saving of the interest charges paid to the Fund.

17. The House is aware of the assistance which India has been receiving from friendly countries outside for the country's development schemes. This has come from Commonwealth countries under the Colombo Plan, from the United States Government and certain private agencies in that country and from other friendly countries like Norway. In the current year a sum of $77·1 million was provided by the Indo-U.S. Technical Co-operation Agreement for utilisation on agreed development projects. The Government of Canada have agreed to provide a further sum of $13·6 million. The Ford Foundation, which has been providing assistance for a programme of rural development made available an additional sum of $1 million for undertaking a training programme for social education and

health. Under the Colombo Plan we are also providing assistance to neighbouring countries. In the budget for the next year the total sum received by us by way of external assistance under the Colombo Plan and from friendly foreign countries is expected to amount to Rs. 45 crores while we shall be spending on the provision of such aid to other countries about Rs. 2 crores.

Financial Year 1953-54

18. I shall now give a brief account of the financial position in the current year and the prospects for the coming year.

19. The House will remember that the budget for the current year placed the revenue at Rs. 439·26 crores and the expenditure at Rs. 438·81 crores leaving a nominal surplus of Rs. 45 lakhs. In balancing this budget, I had taken credit for a recovery of Rs. 18 crores from Pakistan on account of two instalments due from that country in repayment of the partition debt. Hon'ble Members are aware of the large number of complicated problems which are outstanding between us and Pakistan of which the settlement of the partition debt is only one issue. Over the whole front we have been trying to achieve a settlement of these issues but it has not been possible to arrive at a settlement so far. I may, however, mention that I have been having discussions on this subject with the Finance Minister of Pakistan and we both hope that it will be possible to commence the repayment of the debt in the coming year. This single factor has made for a deterioration of Rs. 18 crores in the revenue budget for the current year, and converted the surplus of Rs. 45 lakhs into a deficit of Rs. 16·96 crores.

20. The total revenue this year is now placed at Rs. 413·69 crores and the expenditure at Rs. 430·65 crores leaving, as I just said, a deficit of Rs. 16·96 crores. Of the drop of Rs. 25·57 crores in revenue, Rs. 18 crores are, as I have already explained, accounted for by the non-receipt of the instalments expected from Pakistan. Customs revenue is expected to be Rs. 10 crores less than the sum provided in the budget, largely due to the readjustment of export duties during the course of the year, particularly the export duties on jute, to enable us to maintain our position in world markets where there has been a gradual shift from a seller's to a buyer's market. Union excise duties are expected to show a drop of nearly half a crore. The revenue from taxes on income and corporation tax is, on the

progress of actuals, expected to show an improvement of Rs. 6 crores, of which nearly Rs. 3 crores will be absorbed by larger payments to the State Governments on account of their share of income tax. The receipts under other heads are unlikely to differ materially from the figures I had taken in the budget estimates.

21. On the expenditure side the revised estimates show an improvement of Rs. 8·16 crores. This is made up of a drop of Rs. 1.57 crores in the expenditure on the cost of revenue collections. Rs. 2.7 crores in the provision for Civil Administration and Rs. 8.73 crores in the provision for Extraordinary Charges, partly offset by increased expenditure of Rs. 1.68 crores under Debt Services and Rs. 3.64 crores under the head 'Miscellaneous'. The decrease in the cost of revenue collection is mainly due to a saving of Rs. 94 lakhs in the provision for the payment to the States of their share of the Union Excise Duties due to the readjustment of certain excess payments in the previous year made on a provisional basis, and a reduction in the collections of the shared taxes. The decrease under Civil Administration is distributed over a number of heads, details of which are given in the Explanatory Memorandum. A substantial portion of the saving is due to lapses in the provision for basic and social education and economic development in the Tribal Areas, where the progress on the implementation of developmental schemes has been slower than anticipated. There is also a saving of Rs. 93 lakhs in the provision for transfers to certain funds, the actual transfers being less than was expected at the time the budget was framed owing to the delay in passing the necessary legislation. Under extraordinary charges the budget included a total provision of Rs. 17.37 crores for community development schemes, local works, industrial housing and Grow More Food. The total expenditure on these items is now estimated at Rs. 8.72 crores. Community development schemes are now getting under way and the expenditure on them, in what is practically their first year of operation, has been less than estimated. Similarly, it has not been possible, owing to the inevitable delay in the drawing up of schemes spread over a large number of States and within each State, over a large number of districts and involving a measure of local or State contribution to spend fully the provision made for local works. Assistance to States for Grow More Food schemes is partly given by way of grants and partly by way of loans, the actual distribution depending upon the nature of the schemes accepted for Central assistance.

On the progress of actuals, it is expected that the expenditure by way of grants would be about a crore less than was assumed in the budget. Subsidies on industrial housing are also expected to be less than the budget by about Rs. 2¾ crores, mainly due to the slower progress in the expansion of industrial housing which, among other things, requires the co-operation of industrial employers and their willingness to undertake such schemes. In spite of the efforts made for accelerating schemes for the promotion of the welfare of the backward classes, it has not been possible to spend the entire provision made for this purpose in the budget. If I may put it somewhat shortly, the entire saving in the provision for extraordinary charges is largely due to a short fall in the developmental expenditure, the result largely of the inherent difficulties in the way of getting these schemes going. Under Debt Services, the increase of Rs. 1·68 crores is mainly accounted for by the hardening of discount rates on treasury bills, while under Miscellaneous the increase is largely due to an unforeseen expenditure of Rs. 1·77 crores on payment of subsidies on foodgrains, mostly to Travancore-Cochin, which has a special problem, as a large importer of costly rice from outside, and a carry over of Rs. 2·06 crores from the last year in the payment to sugar factories out of the special excise levied in November, 1952, as part of the measures to secure a reduction in the price of sugar.

22. Before I pass on to the estimates for the coming year, I should like to mention the expenditure on Defence Services during the current year. The total net expenditure is expected to be just within the figure taken in the budget. While the total estimate remains about the same, there is an increase of Rs. 2·46 crores in the Air Force estimates offset by decreases in the expenditure on the other Services. These variations are mostly due to variations in the forecast for the receipt of stores.

Financial Year 1954-55

23. For the coming year, I estimate the revenue at Rs. 441·03 crores and the expenditure at Rs. 467·09 crores leaving a deficit of Rs. 26·06 crores on revenue account.

24. The revenue from customs in the coming year has been placed at Rs. 175 crores against the current year's revised estimate of Rs. 160 crores. The improvement of Rs. 15 crores is due firstly to the additional duty expected to be collected

next year on the increased imports of sugar on Government account, now estimated at between 4 and 5 lakh tons, against 2·5 lakh tons this year, secondly to increased yield from the import of commodities which carry high revenue duties, which may be expected with the easing of our foreign exchange position, and thirdly to the normal expansion of revenue. The revenue from Union Excise Duties is placed at a crore less than in the current year. The yield from sugar will be Rs. 2½ crores less than in the current year, receipts in which were somewhat inflated by the proceeds of the special excise which was withdrawn last November; but this will be partly set off by an improvement of Rs. 1 crore in the receipts from tobacco and about half a crore from the other excises. Under Income Tax, I am repeating the revised estimate for the current year. I expect that the progressive drop in the arrears of excess profit and other taxes will be made good by the improvement in normal collections. Revenue from the Estate Duty, recently levied, is likely to come in for the first time in the coming year. It is a new tax, the yield from which is most difficult to estimate. The administrative machinery for the assessment and collection is being specially assembled and trained and I hope it will be possible to get it in full working in the coming year. I have taken credit for a gross revenue of Rs. 4 crores from this duty, nearly the whole of which will be transferred to the States in accordance with the provisions of the Constitution. Under Currency and Mint, following the increase in the gross income of the Reserve Bank from the increased yield on treasury bills held in the Issue Department, the surplus profits paid to Government next year are expected to be Rs. 5 crores more than the current year's payment of Rs. 12½ crores. I have also taken credit for the receipt of one instalment of Rs. 9 crores from Pakistan. As I explained earlier, I hope to reach a settlement of this issue in the near future and I am confident that it will be possible to commence these repayments with effect from the coming year.

25. For next year I am budgetting for a total expenditure of Rs. 467.09 crores, of which Rs. 205.62 crores will be on Defence Services and Rs. 261.47 crores under Civil heads.

26. In present circumstances, I do not think I need make any apology for the size of the expenditure on Defence Services. As I mentioned last year, there is no question of any sizeable reduction in the size of the Armed Forces so long as there exists any danger to the country's security. In spite of recent

developments likely to affect the balance of power in the area in which we and our vital interests are located, we are not embarking on any scheme of expansion of our Armed Forces. We are only going ahead with our normal programme of bringing the Navy and the Air Forces upto reasonable efficiency in men and material and the increase of Rs. 6 crores in the expenditure next year over the current year is due to this normal programme. While the recent developments have underlined the need for continuous vigilance on our part that the country's security is not in any way jeopardised, and the House may rest assured that this vigilance is being kept, it is not our intention to halt or slow down the economic development of the country, on which, in the long term, the country's inherent strength depends, by entering into any race for armaments.

27. Civil expenditure next year is expected to be Rs. 30.5 crores more than in the current year. I do not propose to weary the House by giving a detailed account of individual increases, particulars of which are given in the Explanatory Memorandum. I shall content myself with drawing attention to the more important factors which account for this increase.

28. I must remind the House that the coming year will be the fourth year of the Five Year Plan and it is reasonable to expect a rise in the tempo of developmental expenditure during that year. The bulk of the increase of Rs. 30.5 crores in civil expenditure is due to this factor. For example, the total expenditure on what may compendiously be called the nation building and developmental services in the coming year is likely to amount to Rs. 53.67 crores against Rs. 39.52 crores in the current year. Expenditure on scientific departments, mainly on grants to scientific institutions and outlay on scientific services, is likely to be about a crore more than in the current year. The budget for education, providing for substantial grants for the expansion of basic and social education throughout the country, will be about Rs. 8 crores more than in the current year. Nearly a crore and three-quarters more will be spent on medical and health services and about Rs. 2 crores more on agriculture and allied services. Increased provision has also been made for the development of village and small-scale industries, so vital to the balanced development of the country. Community projects and national extension services between them will cost Rs. 8½ crores more than in the current year; about a crore more will be spent on grants

for grow more food schemes and a crore and a quarter on schemes of social welfare. These increases in developmental expenditure together account for Rs. 25 crores roundly of the total increase of Rs. 30½ crores.

29. The increase of Rs. 5½ crores in the rest of the expenditure is mainly due to two factors. A lump sum provision of Rs. 3·6 crores has been made under grants-in-aid to States for meeting any assistance that may have to be given to the State of Jammu and Kashmir if the scheme for financial integration of that State with the Indian Union, somewhat on the pattern of the former Princely States, which is under discussion with it, materialises. The payment of the States' share of Union excise duties next year will. on the basis of the estimated revenue from the shared excises, be about three quarters of a crore more than in the current year. Increased provision has also been made under grants-in-aid to States for the welfare of Scheduled Tribes. Scheduled Castes and other backward classes. While, obviously, there are bound to be small increases here and there on account of the normal growth of expenditure, I think I could truthfully claim that the increase in expenditure in the coming year is mostly on development in accordance with the approved plan.

Changes in Classification

30. In the estimates of the coming year I have, in consultation with the Comptroller and Auditor General, made a change in the classification, to which I must draw the attention of Hon'ble Members. The proper allocation of expenditure between revenue and capital is always a matter of some difficulty. particularly against the background of the large development programme, which is in process of implementation and which takes into account the resources of the country as a whole. While it is true that normally every effort should be made to meet current expenditure, in the sense of administrative expenditure and expenditure that does not result in the creation of tangible assets, from current revenue, an exception may have to be made in the case of expenditure which, in the broader national interest, is incurred at a faster pace than would be justified by the amount of revenue that can be raised or is expenditure which, while it technically does not create any tangible assets to the Government which spends the money nevertheless results in the creation of such assets for the community or for other Governments. The House will remember that in the budget for 1951-52 I transferred to

revenue from capital certain types of grants on the ground that the expenditure on the payment of these grants does not create any durable asset for the Central Government. I believe that the principle behind that change is still valid but, if it is carried to its logical conclusion, it may create a difficult position for revenue when, as under the Plan, we are providing Central assistance on a substantial scale to State Governments and others by way of outright grants for purposes which, if they had been the direct concern of the Centre, the Centre would have met from borrowing. I have in mind three types of grants, namely, grants for industrial housing, grants for local works and grants to State Governments under the report of the Gadgil Committee which recently looked into the question of the implementation of a special undertaking given to the States of Saurashtra, Madhya Bharat, Rajasthan and Patiala and East Punjab States Union in their integration agreements that the remedying of their backward condition would form the subject of a special enquiry. The first represents the capital contribution which does create an asset and which, if the Central Government were building the houses for its own purposes, would have been met from borrowings. The second is mostly for the construction of roads, buildings, etc. in local areas which also creates durable assets for the community. The third is merely the conversion of a part of the Central assistance under the Plan to these States from loans to grants and additional grants for the construction of certain administrative buildings. In all these three cases I am convinced that it would be proper to meet the expenditure from capital. But as the expenditure does not create any durable asset for the Centre, I propose that it should be written back to revenue over a period of fifteen years so that ultimately all this expenditure is met from revenue. This proposal has the advantage of securing a measure of stability for the revenue budget, while at the same time outlay on development schemes is not held up by the mere size of the revenue resources currently available. In accordance with the change mentioned above, a sum of Rs. 16 crores will be debited to the capital budget next year. There may be other similar expenditure in the coming years and it will be decided from time to time, in consultation with the Comptroller and Auditor General, whether it should be initially debited to revenue or capital.

Compensation to Displaced Persons

31. Hon'ble Members are aware of the interim scheme of compensation for the loss of immovable properties in West

Pakistan which was sanctioned last November for certain categories of displaced persons. The scheme involves, in addition to the transfer of property in kind like houses and the adjustment of outstandings of rehabilitation loans, the payment of some amount in cash. These payments are likely to amount to a substantial sum and it has been decided, in consultation with the Comptroller and Auditor General, to debit these payments initially to capital and then write them back to revenue over the next fifteen years. I need hardly mention that the debit of these payments directly to revenue would involve a very heavy strain on the revenue budget and there is good justification for spreading the burden over a reasonable period.

Capital Expenditure

32. The current year's budget provided for an expenditure of Rs. 76·64 crores on capital outlay. I now expect that the expenditure will amount to no more than Rs. 63.9 crores. The large saving of Rs. 13 crores occurs mainly under three heads. On Defence a saving of a little over Rs. 4½ crores is likely to be realised mainly due to slower progress on certain works and the non-receipt of some plant and machinery. Civil works will also show a saving of Rs. 4 crores roundly, again due to slower progress on works taken up during the year. Schemes of Government trading, which were expected to involve a net outlay of Rs. 3½ crores in the budget, are now likely to balance their accounts. These three heads together account for a saving of Rs. 11·9 crores. The savings under other heads are relatively of smaller amounts and part of the savings will be absorbed by increased expenditure on the Damodar Valley Scheme where it has been possible to accelerate progress.

33. For next year a total provision of Rs. 145.75 crores has been made for capital expenditure. The large increase over the current year's revised estimates reflects a rising tempo of developmental expenditure to which I referred briefly earlier in my speech. In the first three years of the Plan developmental expenditure was necessarily somewhat smaller than the proportionate outlay for that period. This is partly due to the essential time taken in the preparatory work on new schemes. It is also partly due to the fact that in the earlier period of the Plan Government had to be cautious in going forward with expenditure, so as to keep inflationary trends under control. Now that the economic climate is better suited for stepping up investment and the schemes themselves are gathering momentum, and in some cases nearing completion, the expenditure

in the last two years is bound to be much more than in the current year.

34. I shall briefly mention the more important factors accounting for the increase in the provision for the budget year. The estimates include a provision of Rs. 16 crores for grants to States for development which will be written back to revenue over a period of fifteen years. A sum of Rs. 4 crores has also been provided for payment of compensation to displaced persons which will be similarly spread over revenue. For Railways an increased provision of Rs. 16 crores has been made partly to meet essential commitments and partly to make good the fall in resources which the Railways themselves were expected to provide under the Five Year Plan for development. Expenditure on Posts and Telegraphs will be nearly Rs. 4 crores more than in the current year. On Major Ports about Rs. 2½ crores more will be spent on the development of the Kandla port and the nearby township of Gandhi Dham. The provision for residential and office buildings in New Delhi, where the accommodation problem is still acute, is being increased by nearly Rs. 3¾ crores. The development of roads and national highways next year will cost a little over Rs. 13¼ crores against Rs. 8½ crores this year. The general building programme for Government departments located outside Delhi, covering both residential and office accommodation, will cost Rs. 8 crores next year against Rs. 2½ crores this year. Rehabilitation works will also require an additional outlay of Rs. 75 lakhs. Provision has been made for a possible outlay of Rs. 10 crores on the new steel plant which Government are putting up in collaboration with a German Combine. Capital outlay on Defence will, next year, cost Rs. 17¾ crores, an increase of nearly Rs. 7½ crores over the current year which provides for the normal programme of reorganisation and the carry over from the current year.

35. In addition to the provision for capital outlay mentioned above, the estimates include Rs. 160 crores this year and Rs. 214 crores next year for loans to State Governments, mostly for their development projects.

36. Hon'ble Members may wonder whether the increased sums provided for development, both in the revenue and in the capital budget, are likely to be spent in full, when one remembers the large savings in the provision for developmental expenditure in the last two years and anticipated savings in the

current year. The reasons for the slower progress of development schemes, which these lapses reflect, have, I freely confess, been a matter of some concern to Government. We have asked a senior officer to conduct a quick examination of the existing procedure in the drawing up, sanction and execution of development schemes and to report on the causes leading to the present unsatisfactory position. Government attach the greatest importance to the implementation of the Five Year Plan within the period contemplated in the Plan and it is their intention to take all measures possible to remove the procedural and other impediments to the progress of the development schemes. I hope it will be possible to take early decisions on the findings of this enquiry and I am confident that it will be possible to spend the increased sums provided in the next year's budget. Such an increase is absolutely necessary if the targets visualised in the Plan have to be achieved and Government are determined that all possible steps should be taken to achieve these targets.

37. The House is aware of the recent decision of the Planning Commission to make certain readjustments in the Five Year Plan. This Plan, as formulated last year, provided for a total outlay of Rs. 2,069 crores. This figure is likely to be increased by about Rs. 175 crores as a result of the readjustments, I have already referred to. In the first three years the expenditure, taking both the States and the Centre together, will be of the order of Rs. 1,000 crores, a few crores less and not more. This would leave something like Rs. 1,200 crores, to be spent in the next two years, of which a substantial portion will fall on the Central budget either by way of direct expenditure or in the form of assistance to the State Governments. In the context of this, the substantial increase in the budget provision for the coming year is inescapable and Government will strain their utmost to see that the development envisaged in the Plan and provided for in the budget goes forward.

Ways and Means

38. The current year's budget provided for an overall deficit of Rs. 138 crores of which Rs. 28 crores was proposed to be met from the cash balances and the balance of Rs. 110 crores by the expension of floating debt. On the basis of the revised estimates, the overall deficit will amount to Rs. 128 crores. The opening balance for the year was Rs. 19 crores more than I expected, the improvement reflecting the lapses in the provision made under various heads of expenditure. The market loan during the year amounted to only Rs. 75 crores against the budget anticipation of Rs. 100 crores but this short fall was

more than offset by an improvement of Rs. 40 crores in the cash outgo on the repayment of debt where, because of the large holdings of the maturing loan in the Cash Balance Investment Account, only Rs. 76 crores had to be paid in cash against the estimate of Rs. 116 crores. The net income from small savings during the year has been rather disappointing and may not amount to more than Rs. 40 crores against the budget estimate of Rs. 45 crores. The intensive drive on the part of certain State Governments to mobilise savings for their own public loans has to some extent affected the flow of money into Small Savings. This in itself is not a matter of any concern since, to the extent additional resources are mobilised by the States, their dependence on the Centre is reduced. But in the long term it is essential to develop the savings movement so that, irrespective of temporary factors like the one I just mentioned, a continuous and rising flow of small savings is maintained. The question of securing this is, as the House is aware, receiving the constant attention of Government. Recently steps have been taken to extend the system of authorised agents which had been revived as an experiment in three selected States to all the States. We are also experimenting with the use of Village Panchayats as authorised agents and if this succeeds it will be extended to all the States. I mentioned last year that Government were taking steps to interest voluntary social and women's organisations in the movement. A Women's savings week organised last March produced very encouraging results and a regular Women's savings campaign has been inaugurated. A representative Central Advisory Committee has been set up to guide and organise the campaign and a large number of selected voluntary organisations are being appointed as authorised agents to mobilise savings. It will be some time before the results of these measures become apparent but I believe that they would go a great way in developing the movement. Taking the budget as a whole, I expect that the expansion of treasury bills to leave a closing balance of the order of Rs. 50 crores at the end of the year need now amount to no more than Rs. 80 crores against Rs. 110 crores taken in the original budget.

39. The overall deficit next year is estimated at Rs. 250 crores. This is largely due to the substantial provision made for increased expenditure on development in both the revenue and capital budgets. During the coming year one loan namely the 2¾ Per Cent Loan, 1954, with an outstanding balance of Rs. 35 crores falls due for payment, while Government have the option of redeeming another loan, the 3½ Per Cent Loan, 1954-59, with an outstanding balance of Rs. 13 crores. It has been

assumed that both these loans will be discharged and credit has been taken for a market loan of Rs. 75 crores. Small Savings next year may amount to Rs. 45 crores. Allowing for all these and for the net receipts from the various miscellaneous transactions under debt and remittance heads, the receipt of foreign assistance, etc. it will be necessary to expand treasury bills by Rs. 250 crores to balance the budget overall.

40. There is another way of looking at the ways and means problem. Government have to find Rs. 26 crores for meeting the revenue deficit, Rs. 395 crores for financing essential capital outlay and assisting the State Governments, local bodies, etc. for financing their development schemes and Rs. 53 crores for the repayment of the maturing debt. Against this they hope to raise Rs. 75 crores from the market. Foreign assistance and dollar loans may bring in Rs. 48 crores and Small Savings Rs. 45 crores. Other miscellaneous debt and remittance transactions may bring in Rs. 56 crores. This will leave a gap of Rs. 250 crores in the available resources to balance the budget. As the cash balance will just provide the necessary till money and cannot be drawn down any further, the whole of this gap will have to be met by the issue of treasury bills. The amount for which it will be necessary to float treasury bills will depend upon the actual circumstances of the year as they develop. But for the purposes of the budget I have assumed that it will be of the order of Rs. 250 crores.

41. There will be some—not many, I expect,—in this House and outside who will have doubts as to the wisdom of launching upon deficit financing on this scale. I have given the most careful thought to this question, and, on a balance of considerations, I am convinced that in the conditions as they now are and are likely to be in the near future, we are not taking any undue risks in going forward in the manner I have indicated. In fact, deficit financing to a moderate extent is necessary under present conditions. The period of inflationary stresses is now well behind us and there are signs that the high levels of production we have attained in various lines,—and which we would like to improve upon—cannot be sustained without some increase in money supply in the hands of the public.

42. In judging the economic effects of the budgetary deficit, it has to be borne in mind that part of it might well be neutralised by a balance of payments deficit. For some time past, as I have indicated earlier, we have not, on balance, been drawing upon our sterling balances. This is an indication that the level

of economic activity in the country so far is not high enough to create any large demand for external resources; in other words, the optimum level or tempo of development has yet to be reached. A country's balance of payments is subject to many uncertain and unpredictable factors, and there is always need for caution. Nevertheless, so long as the domestic price situation is well in hand, and there are internal reserves which can be drawn upon in case of need, deficit financing for development involves little risk. Indeed, it can be said that deficit financing, subject to safeguards, has a definite part to play in bringing into use the unutilised resources in the system. It was in view of these considerations and in the context of the recent increase in unemployment in certain sectors that the expansion of the Plan was decided on, and the budget proposals for the next year have been framed in pursuance of this decision. With domestic food production at a satisfactory level, and with the outlook for larger imports from abroad better, should need arise, the budgetary deficit envisaged will, I expect, prove reflationary rather than inflationary. If, however, major changes in the economic situation or climate take place, obviously, Government policies will have to be reconsidered. For the time being, I should say that in the context of our developmental needs, it is important for us not only to live within our means but also to live upto our means.

43. This leads me to another point. The bulk of the deficit finance this year and the coming year will be more than accounted for by the Central assistance given to the States for their development schemes. The experience of the last three years has been that, while development schemes are more or less going forward according to the Plan, the States have not shown the same readiness to augment their resources to the extent envisaged in the Plan. In the same period, Central assistance to the States has been growing—the Finance Commission's award transferred over Rs. 80 crores from the Centre to the States, which have not been counted against the assistance promised to the States. I am not suggesting for a moment that the development of the States is not the concern of the Centre but I do feel that the States should make a more determined contribution towards shouldering the burdens of the Plan than they have done so far. By raising more resources they would help in reducing the amount which the Centre will have to find by recourse to deficit financing and thereby contribute to strengthening the country's economy.

44. National development is not merely the concern of Governments. In a democracy like ours, it is also the concern

of the people and now that we are having substantial recourse to deficit financing. I should like to make a strong appeal to the public to save more and to lend more to Government. I referred a short while ago to the somewhat disappointing results of the small savings movement this year. It is not merely for support to this movement that I appeal. It is the duty of the people to support it on the widest possible front if the process of national development has to be carried on, as it must be, over a long period. Development involves sacrifice, and the essence of democratic planning is that the sacrifice should, as far as possible, be evenly spread and should readily and voluntarily be forthcoming. To increase capital formation, which is the agreed objective, firstly, current consumption must be kept within limits, and, secondly, the production potential must be built up through utilisation of idle manpower. This means stinting as well as harder work. So far, in the first three years of the Plan, we have done reasonably well, but the stage has now been set for a much larger effort. In this, I trust, all sections of the community will co-operate and give of their best.

45. I now turn to the budget proposals for the coming year.

46. In the context of the substantial overall deficit in the coming year's budget, I have approached the problem of dealing with the revenue deficit, not so much from the orthodox angle of balancing the revenue budget, as from the larger angle of raising as much as is practicable by way of additional revenue for meeting the increased expenditure on development, which is wholly responsible for the revenue deficit. While, as I have said earlier, the economic climate is now suitable for a moderate amount of deficit financing, it is obvious that every effort should be made to keep the amount raised by recourse to it as low as possible, so that it fills only the unavoidable gap between the available resources and the inescapable requirements for development and is not used to cover any short fall in resources which could otherwise be currently raised.

47. The House will appreciate that, with the Taxation Enquiry Commission at work, it is neither proper nor desirable to initiate any large-scale change in the present structure of taxation until the whole problem has been considered in the light of the Commission's recommendations which are expected towards the end of the current year. I have therefore confined the changes which I propose to a somewhat restricted field.

Changes in Customs Duties

48. I shall first deal with Customs Duties.

My first proposal is to increase the preferential import duty on betelnuts by 6½ annas a pound. Profit margins on betelnuts have for some time been very high, often leading to the payment of premium on import licences. There is little justification for the importer and the middlemen retaining such profit and I am sure the House would welcome this attempt to divert a part of it for the benefit of the exchequer. I do not think that this would in any way affect the available supplies or occasion any significant increase in prices. The additional revenue from this is estimated at Rs. 3 crores.

In the budget for the current year, the House will remember that certain changes were made on import duties as part of the normal readjustments of these duties. Customs duties cover a very wide variety of goods and the level and incidence of these duties are under constant review so that readjustments could be made from time to time. The annual budget provides the most suitable occasion for making these changes except when, during the course of the year, it is found desirable in the public interest to make such changes without waiting for the annual Finance Bill. In pursuit of this policy I propose to make certain changes in the import tariff. Duties on some articles like plastic and rubber insulated cables, electric fans and electric conduits are being raised. On the expiry of the period agreed under the General Agreement on Trade and Tariffs the preference given to the United Kingdom on the imports of motor cars, motor-car parts and batteries is being abolished. The net effect of these, and other minor changes, with which I do not propose to weary the House, will be a net increase of Rs. 1·25 crores in revenue.

The third change I propose to make is to abolish the present import duty on raw cotton. Imported raw cotton enters not merely in the production of cloth consumed internally but to some extent in the exports of Indian cloth. I mentioned earlier the arrangements which have been made for the grant of a rebate of duty paid on imports of raw materials which enter into the manufacture of our exports. The whole problem of regulating the import duty on essential raw materials came under review in that context and, while obviously no final view has yet been taken, it is felt that a move towards the gradual replacement of import duties on raw materials by Excise Duties on the goods manufactured from them could be made. This replacement seems more or less inevitable as the country is pro-

gressively industrialised; it will also make the export trade simpler by removing the complication involved in the grant of rebates of import duty. I feel that a useful beginning should be made with the import duties on raw cotton. The loss in revenue is estimated at Rs. 4 crores.

In pursuance of the same policy, the import duty on some varieties of steel—a basic material—is being abolished with immediate effect. They are steel sheets (both black and galvanised) plates and rails. The loss of revenue involved is likely to be Rs. 25 lakhs.

The last two proposals will be given effect to by notification under Section 23 of the Sea Customs Act, which is being issued today.

Changes in Union Excise Duties

49. With the abolition of the import duty on raw cotton, I propose to raise the Excise Duty on super-fine cotton cloth by 6 pies per yard and on the other varieties of cotton cloth by 3 pies a yard. This is designed partly to replace the revenue lost by the abolition of the import duty on raw cotton and partly to rationalise the existing structure of the excise. The abolition of the import duty will avoid the complications involved in the somewhat cumbrous procedure of giving drawbacks on exports. It will also facilitate the free imports of foreign cotton required by the industry by reducing the amount required to finance it. The increase in excise duties will, to some extent, also reduce the possibility of diversion of manufactures from one tariff category to another by making it less profitable than at present, and will also, I hope, ease the current pressure on Indian cotton. I consider that the changes, taking Customs and Union Excises together, will make the structure of taxation of Indian cloth more rational than at present. The net effect of these changes will be an increase in revenue of Rs. 6·5 crores.

My next proposal is to levy an excise duty of 1 anna and 6 pies per yard on artificial silk fabrics. The use of artificial silk fabrics is now very widespread and they compete to some extent with cotton cloth which has to bear an excise duty. There is no reason why, when the bulk of the cotton cloth is subject to taxation, artificial silk fabrics should be exempt. The new duty will not be levied on the manufacturers of handlooms and small units which have less than 10-power looms. Art silk fabrics will also be placed in the same position as mill-made cotton textiles by the levy of an additional 3 pies per yard, corresponding to a

similar levy which is now being made on cotton cloth under the Khadi and Other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953. The proceeds will be appropriated to the Special Fund for the Development of the handloom industry. The revenue from this is estimated at Rs. 1·60 crores.

With the progress of industrialisation, revenue from Customs Duties is bound to be a progressively less stable source of revenue. Even otherwise, the revenue from Customs is inevitably subject to the vicissitudes of trade policies and the availability of foreign exchange. It is, therefore, necessary to turn increasingly to indigenous industries producing consumer goods for the replacement of a part of the revenue which, in the past, we used to derive from Customs Duties on such goods. It is also only appropriate that those industries which have in the past developed with the assistance of protectionist policies, for which the consumer paid by way of increased duties, should when they have reached the stage of full development, make a fair contribution to the country's exchequer. The country's tax structure can be made stable only by broad-basing its excise without affecting the economy of the industries taxed or placing an undue burden on the consumers. We are already levying excises on most of the important commodities produced in the country and the scope for further additions is somewhat restricted, but even so I feel that there is room for some expansion in this source of revenue. I, therefore, propose to levy a moderate duty on three commodities namely cement, soap and footwear. The duty on cement will be Rs. 5 per ton, that on soap Rs. 5/4/- per cwt. on washing soap in bars of one pound and more in weight and Rs. 6/2/- per cwt. on other washing soap and Rs. 14/- per cwt. on toilet and other soaps and that on footwear at 10 per cent. *ad valorem*. The incidence of taxation on all these commodities will not generally exceed 10 per cent. of the value. In the case of soap and footwear the products of cottage industry will be exempted either by executive orders or directly by definition in the tariff. From such figures as are available, I expect that the revenue from the excise on cement would amount to Rs. 1·75 crores, that from footwear to Rs. 80 lakhs and that from soap to Rs. 1·20 crores.

Income Tax

50. No changes are proposed in the income tax rates which, for next year, will continue to be the same as at present. Certain formal amendments to the Indian Income Tax Act, intended to continue till 1956 some of the existing concessions

like special depreciation allowance, exemption of profits upto 6 per cent., etc., have been included in the Finance Bill. This will maintain the *status quo* until Government have had an opportunity of re-examining the need for these concessions in the light of the Taxation Enquiry Commission's Report. Opportunity is also being taken of making two small amendments, both of the nature of drafting changes, in the Estate Duty Act.

Net effect of Proposals

51. The effect of the above changes may now be summarised The increased duty on betelnuts will yield Rs. 3 crores and minor readjustments in import duties another Rs. 1·25 crores. This will be offset by a drop of Rs. 4·25 crores from the abolition of import duties on raw cotton and some varieties of steel leaving the total revenue from customs duties unchanged at Rs. 175 crores.

The increase in the excise duty on cotton cloth will yield Rs. 6·5 crores and the new excise duty on artificial silk fabrics Rs. 1·60 crores. The new excises on cement, soap and footwear will together yield Rs. 3·75 crores. The total additional revenue from excise duties will thus amount to Rs. 11·85 crores. This will reduce the prospective revenue deficit for the coming year from Rs. 26·06 crores to Rs. 14·21 crores which I propose to leave uncovered.

I mentioned that the overall deficit for next year would amount to Rs. 250 crores, which will be met by the expansion of treasury bills. The taxation proposals will reduce the deficit to about Rs. 238 crores. For the present I do not propose to change the figure taken in the budget for expansion of treasury bills. The actual amount of this expansion will depend on developments during the course of the year. I am therefore carrying the effect of these proposals into the cash balances and leaving them about Rs. 12 crores more than would otherwise be the case.

Conclusion

52. This is the fourth budget which I have had the privilege of placing before this House and, by a coincidence, it happens to be for the fourth year of the Plan. The main purpose of all these budgets has been to secure the orderly implementation of the Plan. Progress reports on the Plan have recently been made available to Parliament and I have no doubt that this arrangement will be continued. I do not, therefore,

propose to say anything on the progress achieved in the implementation of the Plan as such, but I cannot resist the temptation of looking back and making an assessment of what has been achieved in the seven years since independence. Seven years are not a long period in the history of a nation but in the life-time of a generation they certainly count for something. One can, therefore, understand the continuous urge for improvement and the frequent criticism that the progress achieved has not been sufficient. Such criticism is always welcome, both as a corrective and as a spur to further effort, but it is apt to obscure the sum of our achievement and place the problem of development out of its proper perspective. In 1947 we inherited a weakened administration, a war ravaged economy and a country in which only the rudiments of a welfare state had been developed. Immediately after independence we were faced with the gigantic problem of rehabilitating millions of people uprooted from their homes and cast adrift as refugees. Our food position was precarious owing to the loss to us of large areas surplus in foodgrains. We had the colossal administrative problem of bringing over 500 Princely States, of varying sizes and in widely disparate stages of development, into the stream of the country's national life. Looking back over the seven years I have no doubt that we can feel some satisfaction at the measure of our achievement. In this period, the country's economy has been strengthened, inflationary stresses have subsided or been eliminated and production expanded in many directions. In particular, notable improvement has been made in the country's food production. The transport system has been largely rehabilitated. Progress, sometimes well ahead of schedule, has been made in the construction of large irrigation and power schemes which were in hand and more of such schemes are being taken up. Vital industries, designed to reduce our dependence on external sources for our essential needs, have been started with Government support. In the field of basic industries effective steps have been taken to improve steel production and a new steel plant is being set up which, in the near future, will make a substantial addition to the country's steel production. The Shipping Industry is also being assisted to expand and the important shipyard at Vishakapatnam has been developed. The rehabilitation of displaced persons is now nearing completion. The integration of the Princely States has been completed and a well-knit national Plan, covering in greater or less degree all important sections of the national life and economy, has been drawn up and is in process of implementation. The States have been assisted with

increasing sums of money to enable their development to go forward. What is more vitally important, the people have been encouraged successfully to co-operate in the fulfilment of this high endeavour.

No idea of the vast upsurge in the national life can be conveyed by translating all this in terms of money or compressing it into a classified table of estimates and expenditures. The face of the country is changing and changing for the better. We know—and none more than those on the Government Benches—that much still remains to be done. But we can bend our energies to the tasks ahead fortified by the knowledge that, in spite of mistakes and difficulties, we have made progress and, conscious that we are on the right road, however long and arduous it may be, we shall persevere, with a stout heart, with the task of building up a more prosperous India. In this task we have received a significant and important measure of assistance from friendly countries for which we are grateful and which only spurs us on to more sustained efforts wtihout impairing our will to be self-reliant as much as possible.

SUMMARY OF FINAL ESTIMATES

REVENUE*

(IN LAKHS OF RS.)

	Budget, 1953-54.	Revised, 1953-54.	Budget, 1954-55.
Customs	1,70,00	1,60,00	1,75,00
Union Excise Duties	94,00	93,55	92,60 +11,85*
Corporation Tax	36,62	38,40	38,35
Taxes on Income other than Corporation Tax	68,08	69,31	70,67
Estate Duty	—	—	25
Opium	2,00	2,07	1,85
Interest ...	3,05	2,78	2,78
Civil Administration	11,18	10,34	10,48
Currency and Mint	15,69	15,41	20,42
Civil Works	1,53	1,62	1,63
Other Sources of Revenue	8,69	10,69	7,92
Posts and Telegraphs—Net contribution to general revenues.	2,30	2,02	1,50
Railways—Net contribution to general revenues	7,65	7,50	7,37
Extraordinary Items	18,47	—	10,21
TOTAL—REVENUE	4,39,26	4,13,69	4,41,03 +11,85*

EXPENDITURE

	Budget, 1953-54.	Revised, 1953-54.	Budget, 1954-55.
Direct Demands on Revenue ...	32,49	30,92	32,19
Irrigation ...	19	19	16
Debt Services	37,17	38,85	40,00
Civil Administration	71,27	68,57	86,08
Currency and Mint	2,57	2,56	2,63
Civil Works and Miscellaneous Public Improvements ...	15,06	14,75	15,54
Pensions	8,36	8,59	8,45
Miscellaneous—			
Expenditure on refugees ...	12,67	12,67	10,23
Subsidy on foodgrains ...	—	1,77	—
Other Expenditure ...	8,34	9,98	9,74
Grant to States, etc.	26,37	26,36	32,48
Extraordinary Items	24,48	15,76	23,97
Defence Services (Net) ...	1,99,84	1,99,68	2,05,62
TOTAL—EXPENDITURE	4,38,81	4,30,65	4,67,00
Surplus(+) / Deficit(−) ...	+45	−16,96	−14,21

*Effect of Budget Proposals.

GOVERNMENT OF INDIA

BUDGET

of the

CENTRAL GOVERNMENT

for

1954-55

(As laid before Parliament, 1954)

MINISTRY OF FINANCE : K. G. AMBEGAOKAR,

New Delhi, the 27th February, 1954 *Secretary to the Government of India.*

CONTENTS

I.—GENERAL STATEMENT OF THE REVENUE AND EXPENDITURE

[In thousands of Rupees]

	For details, *vide* Statement	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
I.—CONSOLIDATED FUND OF INDIA.					
REVENUE—					
Principal Heads of Revenue—					
Customs	A	1,73,75,28	1,70,00,00	1,60,00,00	1,75,00,00
Union Excise Duties .	,,	83,03,24	94,00,00	93,55,00	{ 92,60,00 +11,85,00*
Corporation Tax . .	,,	43,79,99	36,62,00	38,40,00	38,35,00
Taxes on Income other than Corporation Tax	,,	84,44,54	68,08,00	69,31,00	70,67,00
Estate Duty . .	,,	..	..	..	25,00
Opium . . .	,,	2,17,94	2,00,00	2,07,00	1,85,00
Other Heads . .	,,	2,81,00	3,33,26	3,19,95	3,38,10
TOTAL—PRINCIPAL HEADS .		3,90,01,99	3,74,03,26	3,66,52,95	{ 3,82,10,10 +11,85,00*
Contributions from Railways	,,	7,10,62	7,64,93	7,49,60	7,36,59
Irrigation : Net Receipts	,,	37	22	22	—3
Posts and Telegraphs : (Net) (a) . .	,,	1,87,23	2,30,49	2,01,94	1,50,00
Debt Services .	,,	2,90,71	3,04,89	2,78,34	2,77,77
Civil Administration .	,,	11,39,47	11,17,68	10,34,12	10,47,91
Currency and Mint .	,,	10,17,41	15,69,08	15,41,41	20,42,19
Civil Works and Miscellaneous Public Improvements . .	,,	1,70,88	1,52,74	1,62,43	1,62,54
Electricity Schemes .	,,	1,01	54	— 1	6
Miscellaneous . .	,,	6,00,04	5,35,76	7,48,56	4,53,72
Extraordinary Items .	,,	3,90 79	18,46,67	2	10,21,67
TOTAL—REVENUE		4,35,10,52	4,39,26,26	4,13,69,08	{ 4,41,02,52 +11,85,00*
EXCESS OF EXPENDITURE OVER REVENUE OR DEFICIT		..	..	16,95,68	14,21,49
TOTAL . .		4,35,10,52	4,39,26,26	4,30,64,76	4,67,09,01

* Effect of Budget proposals

(a) Figures shown net ; the expenditure shown in Statement B has been taken in reduction of the receipts shown in Statement A.

Note.—The accounts for 1952-53 have not been finally closed and the actuals given here are only provisional.

MET FROM REVENUE OF THE CENTRAL GOVERNMENT

[In thousands of Rupees]

	For details *vide* Statement	Accounts, 1952-53	Budget Estimates, 1953-54	Revised Estimates, 1953-54	Budget Estimates, 1954-55
—CONSOLIDATED FUND OF INDIA					
EXPENDITURE—					
Direct Demands on the Revenue . . .	B	30,38,69	32,49,37	30,92,41	32,19,09
Irrigation . . .	"	17,34	18,63	18,63	15,91
Debt Services . .	"	36,49,98	37,17,00	38,85,16	40,00,00
Civil Administration .	"	51,70,68	71,27,44	68,57,43	86,07,85
Currency and Mint .	"	2,95·66	2,57,09	2,55,82	2,63,26
Civil Works and Miscellaneous Public Improvements . .	"	13,11 44	15,05,92	14,75,03	15·53,69
Electricity Schemes .	"	..	11	11	..
Miscellaneous . .	"	48,86,46	29,36,76	33,00,60	28,42,31
Defence Services (*a*) .	"	1,79,52,33	1,99,83,92	1,99,68,17	2,05,62,20
Contributions and Miscellaneous Adjustments between Union and State Governments	"	22,80,28	26,36,65	26,35,72	32,47,66
Extraordinary Items .	"	10,15,11	24,48,49	15,75,68	23,97,04
TOTAL—EXPENDITURE MET FROM REVENUE . .		3,96,17,97	4,38,81,38	4,30,64,76	4,67,09,01
EXCESS OF REVENUE OVER EXPENDITURE OR SURPLUS		38,92,55	44,88	..	..
TOTAL .		4,35,10,52	4,39,26,26	4,30,64,76	4,67,09,01

(*a*) Figures shown net ; the receipts shown in Statement A have been deducted from the expenditure shown in Statement B.

II.—GENERAL STATEMENT OF THE RECEIPTS

[In thousands of Rupees.]

	For details *vide* Statement	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
RECEIPTS					
I.—CONSOLIDATED FUND OF INDIA.					
Revenue Surplus (as shown in Part I) . . .		38,92,55	44,88	..	..
Capital Accounts outside the Revenue Account .	C	32,39	..	..	..
Permanent Debt (net) .	,,	27,76,34	..	..	25,26,16
Floating Debt (net) . .	,,	..	1,09,85,50	79,85,50	2,50,00,00
Loans and Advances by the Central Government (net)	,,	..	..	..	..
TOTAL—I.—CONSOLIDATED FUND OF INDIA		67,01,28	1,10,30,38	79,85,50	2,75,26,16
II.—CONTINGENCY FUND OF INDIA	,,	..	..	..	..
III.—PUBLIC ACCOUNT					
Unfunded Debt (net) . .		48,73,60	55,67,14	53,64,12	60,61,79
Depreciation and other Reserve Funds (net) . .	,,	73,81	..	..	..
Appropriation for Reduction or Avoidance of Debt (net)	,,	5,00,00	5,00,00	5,00,00	5,00,00
Other Deposits and Advances (net) . . .	,,	..	1,51,28	64,34,49	29,63,23
Remittances (net) . .	,,	..	1,96,73	1,49,12	..
Transfer of Cash between England and India (net)	,,	87,29	..	..	..
TOTAL III—PUBLIC ACCOUNT.	,,	55,34,70	64,15,15	1,24,47,73	95,25,02
TOTAL RECEIPTS		1,22,35,98	1,74,45,53	2,04,33,23	3,70,51,18
OPENING BALANCE . .	C	1,62,68,08	79,83,89	99,14,21	50,85,14
TOTAL		2,85,04,06	2,54,29,42	3,03,47,44	4,21,36,32

AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT

[In thousands of Rupees.]

	For details, *vide* Statement	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
DISBURSEMENTS					
I.—CONSOLIDATED FUND OF INDIA					
Revenue Deficit (as shown in Part I) . . .		..	..	16,95,68	14,21,49
Capital Accounts not met from Revenue . .	C	39,12,17	76,64,27	63,90,37	1,45,75,12
Permanent Debt (net) .	„	..	18,83,47	39,13,57	..
Floating Debt (net) .	„	17,10,18	..	.	.
Loans and Advances by the Central Government (net)	„	85,38,82	96,32,66	1,16,54,58	1,84,21,40
TOTAL I.—CONSOLIDATED FUND OF INDIA . .		1,41,61,17	1,91,80,40	2,36,54,[illegible]	3,44,18,01
III.—PUBLIC ACCOUNT					
Unfunded Debt (net) . .	C	..	..	..	.
Depreciation and other Reserve Funds (net) .	„	..	10,80,13	16,08,10	14,08,09
Appropriation for Reduction or Avoidance of Debt (net)	„	..	..	..	..
Other Deposits and Advances (net)	„	35,18,69	..	..	..
Remittances (net) . . .	„	9,09,99	..	..	12 [illegible]
Transfer of Cash between England and India (net) .	„	..	..	..	..
TOTAL III.—PUBLIC ACCOUNT		44,28,68	10,80,13	16,08,10	14,21,25
TOTAL—DISBURSEMENTS .		1,85,89,85	2,02,60,53	2,52,62,30	3,58,39,26
CLOSING BALANCE .	C	99,14,21	51,68,89	50,85,14	62,97,06
TOTAL .		2,85,04,06	2,54,29,42	3,03,47,44	4,21,36,32

A.—Statement of the Revenue of the Central Government

[In thousands of Rupees

Heads of Revenue	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease (—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease (—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA						
PRINCIPAL HEADS OF REVENUE—						
I.—Customs	1,73,75,28	1,70,00,00	1,60,00,00	—10,00,00	1,75,00,00	+15,00,00
II.—Union Excise Duties	83,03,24	94,00,00	93,55,00	—45,00	1,04,45,00	+10,90,00
III.—Corporation Tax	4[illegible],79,99	36,62,00	38,40,00	+1,78,00	38,35,00	—5,00
IV.—Taxes on Income other than Corporation Tax	84,44,54	68,08,00	69,31,00	+1,23,00	70,67,00	+1,36,00
V.—Estate Duty	.	..	..	.	25,00	+25,00
VI.—Opium	2,17,94	2,00,00	2,07,00	+7,00	1,85,00	—22,00
VII.—Land Revenue	42,51	51,47	52,49	+1,02	52,93	+44
VIII.—State Excise Duties	15,63	16,88	15,78	—1,10	15,48	—30
IX.—Stamps	1,30,89	1,35,42	1,44,27	+8,85	1,45,13	+86
X.—Forest	79,13	1,16,65	94,91	—21,74	1,10,70	+15,79
XI.—Registration	2,38	1,97	1,95	—2	1,99	+4
XII.—Receipts under Motor Vehicles Acts	4,52	5,12	4,54	—58	4,80	+26
XIII.—Other Taxes and Duties	5,94	5,75	6,01	+26	7,07	+1,06
TOTAL	3,90,01,99	3,74,03,26	3,66,52,95	—7,50,31	3,93,95,10	+27,42,15
IRRIGATION—						
XVII.—Works for which Capital Accounts are kept—Gross Receipts	1,93	2,12	2,12	..	2,12	..
Deduct—Working Expenses	*1,71*	*2,10*	*2,10*	..	*2,35*	- 25
Net Receipts	22	2	2	.	—23	—25
XVIII.—Works for which no Capital Accounts are kept	15	20	20	..	20	..
TOTAL	37	22	22	..	—3	—25
POSTS AND TELEGRAPHS						
XIX.—Posts and Telegraphs—Gross Receipts	41,06,07	44,12,00	44,12,00	..	45,66,0	+1,54,00
Deduct—Working Expenses	*37,68,08*	*40,17,13*	*40,37,11*	—19,98	*42,18,79*	—1,81,68
Net Receipts	3,37,99	3,94,87	3,74,89	—19,98	3,47,21	—27,68
DEBT SERVICES						
XX.—Interest	2,90,71	3,04,89	2,78,34	—26,55	2,77,77	—57
Carried over	3,96,31,06	3,81,03,24	3,73,06,40	—7,96,84	4,00,20,05	+27,13,65

A.—Statement of the Revenue of the Central Government—*contd.*

[In thousands of Rupees]

Heads of Revenue	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease (—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease (—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*) Brought forward	3,96,31,06	3,81,03,24	3,73,06,40	—7,96,84	4,00,20,05	+27,13,65
CIVIL ADMINISTRATION—						
XXI.—Administration of Justice	2,36	1,74	2,27	+53	2,00	—27
XXII.—Jails and Convict Settlements	44	29	36	+7	53	+17
XXIII.—Police	9,78	22,25	25,94	+3,69	17,27	—8,67
XXIV.—Ports and Pilotage	37,29	38,30	29,20	—9,10	35,88	+6,68
XXV.—Lighthouses and Lightships	16,08	29,35	24,95	—4,40	29,51	+4,56
XXVI.—Education	19,29	11,61	11,93	+32	13,25	+1,32
XXVII.—Medical	4,27	2,93	4,22	+1,29	21,00	+16,78
XXVIII.—Public Health	6,56	7,54	11,48	+3,94	10,61	—87
XXIX.—Agriculture	43,26	30,95	43,95	+13,00	61,91	+17,96
XXX.—Veterinary	9,78	9,09	9,93	+84	10,00	+7
XXXI.—Co-operation	..	1	1	..	2	+1
XXXII.—Industries and Supplies.— Gross Receipts	7,01,80	7,08,87	5,80,94	—1,27,93	5,69 37	—11,57
Deduct— Working Expenses	..	..	.	..	..	..
Net Receipts	7,01,80	7,08,87	5,80,94	—1,27,93	5,69,37	—11,57
XXXIII.—Aviation	83,12	63,50	81,56	+18,06	68,30	—13,26
XXXIV.—Broadcasting	1,33,84	1,27,84	1,24,87	—2,97	1,30,36	+5,49
XXXVI.—Miscellaneous Departments	71,60	63,41	82,51	+19,10	77,90	—4,61
TOTAL	11,39,47	11,17,68	10,34,12	—83,56	10,47,91	+13,79
CURRENCY AND MINT—						
XXXVII.—Currency	8,85,72	14,27,86	14,03,09	—24,77	19,04 44	+5,01,35
XXXVIII.—Mint	1,31,69	1,41,22	1,38,32	—2,90	1,37,75	—57
TOTAL	10,17,41	15,69,08	15,41,41	—27,67	20,42,19	+5,00,78
CIVIL WORKS, ETC.— XXXIX.—Civil Works	1,70,56	1,52,65	1,62,29	+9,64	1,62,34	+5
XL-A-Receipts from Multi-purpose River Schemes.	32	9	14	+5	20	+6
ELECTRICITY SCHEMES— XLI.—Receipts from Electricity Schemes— Gross Receipts	3,68	5,03	4,51	—52	6,73	+2,22
Deduct— Working Expenses	*2,67*	*4,49*	*5,02*	—53	*6,67*	—1,65
Net Receipts	1,01	54	—51	—1,05	6	+57
Carried over	4,19,59,83	4,09,43,28	4,00,43,85	—8,99,43	4,32,72,75	+32,28,90

A.—Statement of the Revenue of the Central Government—*concld*

[In thousands of Rupees]

Heads of Revenue	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease(—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease(—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*) Brought forward	4,19,59,83	4,09,43,28	4,00,43,85	—8,99,43	4,32,72,75	+32,28,90
MISCELLANEOUS—						
XLIV.—Receipts in aid of Superannuation	10,92	8,73	10,80	+2,07	9,48	- 1,32
XLV.—Stationery and Printing	52,89	85,00	47,01	—37,99	45,25	—1,76
XLV-A.—Contributions from Railways	7,10,62	7,64,93	7,49,60	—15,33	7,36,59	—13,01
XLVI.—Miscellaneous	5,37,58	4,43,18	6,90,70	+2,47,52	3,97,91	—2,92,79
XLVI-A-Receipts from Road and Water Transport Schemes —Gross Receipts	3,86	7,10	7,10	..	9,10	+2,00
Deduct—Working Expenses	*5,21*	*8,25*	*7,05*	+1,20	*8,02*	—97
Net Receipts	—1,35	—1,15	5	+1,20	1,08	+1,03
TOTAL	13,10,66	13,00,69	14,98,16	+1,97,47	11,90,31	—3,07,85
DEFENCE SERVICES—						
XLVII.—Defence Receipts—Effective	12,63,94	9,92,55	11,06,99	+1,14,44	10,75,92	—31,07
XLVIII.—Defence Receipts—Non-effective	21,77	3,39	16,00	+12,61	10,00	—6,00
TOTAL	12,85,71	9,95,94	11,22,99	+1,27,05	10,85,92	—37,07
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS BETWEEN UNION AND STATE GOVERNMENTS—						
L.—Miscellaneous Adjustments between Union and State Governments	..	..	..	..	..	..
EXTRAORDINARY ITEMS—						
LI.—Extraordinary Receipts	60,20	18,46,67	2	—18,46,65	10,21,67	+10,21,65
LIIB.—Civil Defence	1,21	..	..	..	..	..
LIIC.—Pre-partition Receipts	3,29,38	..	..	..	..	..
TOTAL	3,90,79	18,46,67	2	—18,46,65	10,21,67	+10,21,65
RAILWAY REVENUES AS PER RAILWAY BUDGET	52,70,56	51,40,61	44,45,75	—6,94,86	49,03,22	+4,57,47
TOAL—REVENUE	5,02,17,55	5,02,27,19	4,71,10,77	—31,16,42	5,14,73,87	+43,63,10
Excess of Expenditure over Revenue or Deficit	..	..	16,95,68	..	14,21,49	..

B.— Statement of the Expenditure met from Revenue of the Central Government

[In thousands of Rupees]

Heads of Expenditure	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease(—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease(—) as compared with Revised, 1953-54
.—CONSOLIDATED FUND OF INDIA						
DIRECT DEMANDS ON THE REVENUE—						
1.—Customs . .	2,17,55	3,33,18	3,36,25	+3,07	3,60,87	+24,62
2.—Union Excise Duties . .	21,30,50	20,19,90	18,92,95	—1,26,95	20,09,87	+1,16,92
3.—Corporation Tax.	3,03,83 (items 3 and 4)	76,06	81,69	+5,63	85,77	+4,08
4.—Taxes on Income other than Corporation Tax .		2,64,79	2,48,74	—16,05	2,70,76	+22,02
5.—Estate Duty .	..	..	2,31	+2,31	16,34	+14,03
6.—Opium . .	1,62,91	2,93,47	2,69,31	—24,16	1,95,07	—74,24
7.—Land Revenue .	16,70	21,51	21,38	—13	19,03	—2,35
8.—State Excise Duties	1,06	1,24	90	—34	1,28	+38
9.—Stamps . .	1,13,84	1,21,39	1,27,28	+5,89	1,29,60	+2,32
10.—Forest . .	91,55	1,16,67	1,10,34	—6,33	1,29,02	+18,68
11.—Registration .	40	50	75	+25	70	—5
12.—Charges on account of Motor Vehicles Acts .	..	..	1	+1	3	+2
13.—Other Taxes and Duties . .	35	66	50	—16	75	+25
TOTAL .	30,38,69	32,49,37	30,92,41	—1,56,96	32,19,09	+1,26,68
REVENUE ACCOUNT OF IRRIGATION WORKS—						
17.—Interest on works for which Capital Accounts are kept .	..	..	..	..	..	..
18.—Other Revenue Expenditure .	1,87	3,64	3,64	..	4,88	+1,24
TOTAL .	1,87	3,64	3,64	..	4,88	+1,24
CAPITAL ACCOUNTS OF IRRIGATION, ETC., WORKS MET FROM REVENUE—						
19.—Construction of Irrigation Works financed from ordinary Revenues .	15,47	14,99	14,99	..	11,03	—3,96
POSTS AND TELEGRAPHS REVENUE ACCOUNT—						
20.—Posts and Telegraphs—Interest on Debt. . .	1,50,76	1,64,38	1,72,95	+8,57	1,97,21	+24,26
Carried over .	32,06,79	34,32,38	32,83,99	—1,48,39	34,32,21	+1,48,22

B.—Statement of the Expenditure met from Revenue of the Central Government—*contd.*

[In thousands of Rupees]

Heads of Expenditure	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease (—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease (—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward	32,06,79	34,32,38	32,83,99	—1,48,39	34,32,21	+1,48,22
DEBT SERVICES—						
22.—Interest on Debt and other Obligations	70,66,22	74,91,19	76,85,19	+1,94,00	83,72,77	+6,87,58
Deduct—Interest transferred to—						
Railways	*26,88,85*	*27,12,01*	*26,96,86*	+15,15	*28,13,26*	—1,16,40
Irrigation	*88*	*90*	*89*	+1	*90*	—1
Posts and Telegraphs	*1,52,85*	*1,64,72*	*1,73,59*	—8,87	*1,97,72*	—24,13
State Governments	*7,84,37*	*11,00,00*	*11,35,00*	—35,00	*15,55,00*	—4,20,00
Commuted Value of Pensions	*22,74*	*24,21*	*23,99*	+22	*25,29*	—1,30
Other heads	*2,66,55*	*2,72,35*	*2,69,70*	+2,65	*2,80,60*	—10,90
TOTAL TRANSFERS	39,16,24	*42,74,19*	43,00,03	—25,84	48,72,77	—5,72,74
Net	31,49,98	32,17,00	33,85,16	+1,68,16	35,00,00	+1,14,84
23.—Appropriation for Reduction or Avoidance of Debt.	5,00,00	5,00,00	5,00,00	..	5,00,00	..
TOTAL	36,49,98	37,17,00	38,85,16	+1,68,16	40,00,00	+1,14,84
CIVIL ADMINISTRATION—						
25.—General Administration	9,45,36	11,69,22	11,58,36	—10,86	12,40,37	+82,01
26.—Audit	4,36,56	4,99,61	4,93,74	—5,87	5,43,60	+49,86
27.—Administration of Justice	16,70	18,71	18,95	+24	21,44	+2,49
28.—Jails and Convict Settlements	4,37	4,63	4,56	—7	4,81	+25
29.—Police	2,91,33	3,25,83	3,37,82	+11,99	3,84,81	+46,99
30.—Ports and Pilotage	83,02	1,00,73	85,80	—14,93	1,02,07	+16,27
31.—Lighthouses and Lightships	19,78	29,35	24,95	—4,40	29,51	+4,56
34.—Tribal Areas	2,15,94	3,78,53	3,29,12	—49,41	4,36,95	+1,07,83
35.—External Affairs	4,19,25	4,53,98	4,51,38	—2,60	4,77,52	+26,14
36.—Scientific Departments	6,23,43	8,07,29	7,93,68	—13,61	8,86,50	+92,82
37.—Education	3,31,91	5,46,44	5,06,00	—40,44	12,80,88	+7,74,88
38.—Medical	72,34	1,15,64	97,36	—18,28	1,64,19	+66,83
39.—Public Health	69,24	1,22,01	1,01,79	—20,22	2,21,67	+1,19,88
40.—Agriculture	2,22,19	3,26,94	2,85,31	—41,63	4,97,89	+2,12,58
40A.—Rural Development	..	55	55	..	55	..
41.—Veterinary	30,33	33,76	33,25	—51	36,54	+3,29
42.—Co-operation	43	1,03	85	—18	1,42	+57
43.—Industries and Supplies	5,48,08	12,94,33	12,25,29	—69,04	13,86,91	+1,61,62
44.—Aviation	2,72,42	2,92,66	2,87,19	—5,47	2,50,52	—36,67
45.—Broadcasting	1,91,82	2,20,00	2,18,68	—1,32	2,24,17	+5,49
47.—Miscellaneous Departments	3,76,18	3,86,20	4,02,80	+16,60	4,15,53	+12,73
TOTAL	51,70,68	71,27,44	68,57,43	—2,70,01	86,07,85	+17,50,42
Carried over	1,20,27,45	1,42,76,82	1,40,26,58	—2,50,24	1,60,40,06	+20,13,48

B.—Statement of the Expenditure met from Revenue of the Central Government—*contd.*

[In thousands of Rupees]

Heads of Expenditure	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease(—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease (—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward .	1,20,27,45	1,42,76,82	1,40,26,58	—2,50,24	1,60,40,06	+20,13,48
CURRENCY AND MINT—						
48.—Currency .	2,08,97	1,60,87	1,62,50	+1,63	1,70,51	+8,01
49.—Mint . .	86,69	96,22	93,32	—2,90	92,75	—57
TOTAL .	2,95,66	2,57,09	2,55,82	—1,27	2,63,26	+7,44
CIVIL WORKS, ETC.—						
50.—Civil Works .	12,87,34	14,66,41	14,48,37	—18,04	15,13,33	+64,96
51. B.—Other Revenue Expenditure connected with Multipurpose River Schemes . .	24,10	39,51	26,66	—12,85	40,36	+13,70
TOTAL .	13,11,44	15,05,92	14,75,03	—30,89	15,53,69	+78,66
ELECTRICITY SCHEMES—						
52-A.—Other Revenue Expenditure connected with Electricity Schemes .	..	..	..	..	..	..
CAPITAL ACCOUNT OF ELECTRICITY SCHEMES WITHIN REVENUE ACCOUNT						
53.—Capital Outlay on Electricity Schemes	..	11	11	..	..	—11
MISCELLANEOUS—						
54.—Famine . .	13,10	5	15	+10	5	—10
54A.—Territorial and Political Pensions .	20,91	22,82	2,78	—4	21,16	—1,62
54B.—Privy Purses and Allowances of Indian Rulers .	4,36,17	4,76,33	5,00,05	+23,72	4,82,34	—17,71
55.—Superannuation Allowances and Pensions . .	3,27,06	3,36,55	3,36,52	—3	3,42,13	+5,61
56.—Stationery and Printing . .	2,64,32	2,20,99	1,75,85	—45,14	2,06,12	+30,27
57.—Miscellaneous .	38,24,90	18,80,02	22,65,25	+3,85,23	17,90,51	—4,74,74
TOTAL .	48,86,46	29,36,76	33,00,60	+3,63,84	28,42,31	—4,58,29
DEFENCE SERVICES—						
58.—Defence Services Effective — Army .	1,53,28,90	1,57,29,78	1,55,64,34	—1,65,44	1,52,95,11	—2,69,23
59.—Defence Services Effective — Navy .	8,64,95	11,28,38	11,24,90	—3,48	12,14,38	+89,48
60.—Defence Services Effective—Air Force	15,62,74	25,79,24	28,66,90	+2,87,66	35,90,45	+7,23,55
60-A.—Defence Services Non-Effective	14,81,45	15,42,46	15,35,02	—7,44	15,48,18	+13,16
TOTAL .	1,92,38,04	2,09,79,86	2,10,91,16	+1,11,30	2,16,48,12	+5,56,96
Carried over . .	3,77,59,05	3,99,56,56	4,01,49,30	+1,92,74	4,23,47,44	+21,98,14

B.—Statement of the Expenditure met from Revenue of the Central Government—*concld.*

[In thousands of Rupees]

Heads of Expenditure	Accounts, 1952-53	Budget, Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease(—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease(—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward .	3,77,59,05	3,99,56,56	4,01,49,30	+1,92,74	4,23,47,44	+21,98,14
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS BETWEEN UNION AND STATE GOVERNMENTS .						
61.—Grants-in-aid to States . . .	22,77,93	26,34,89	26,32,37	—2,52	32,44,90	+6,12,53
62.—Miscellaneous Adjustments between Union and State Governments .	2,35	1,76	3,35	+1,59	2,76	—59
TOTAL .	22,80,28	26,36,65	26,35,72	—93	32,47,66	+6,11,94
EXTRAORDINARY ITEMS—						
63.—Extraordinary Charges . .	7,62,55	22,23,11	13,47,32	—8,75,79	22,23,21	+8,75,89
63-A.—Expenditure connected with Post-War Planning and Development .	..	..	..	..	..	..
63-B.—Community Development Projects . . .	2,96	29,18	32,19	+3,01	36,63	+4,44
64-B.—Civil Defence	1,27	1,20	1,18	—2	1,20	+2
64-C.—Prepartition Payments . .	2,48,33	1,95,00	1,94,99	—1	1,36,00	—58,99
TOTAL .	10,15,11	24,48,49	15,75,68	—8,72,81	23,97,04	+8,21,36
RAILWAY EXPENDITURE AS PER RAILWAY BUDGET . . .	52,70,56	51,40,61	44,45,75	—6,94,86	49,03,22	+4,57,47
TOTAL—EXPENDITURE MET FROM REVENUE	4,63,25,00	5,01,82,31	4,88,06,45	—13,75,86	5,28,95,36	+40,88,91
Excess of Revenue over Expenditure or Surplus	38,92,55	44,88	..	..	..	..

C.—Statement of the Receipts and Disbursements of the Central Government

[In thousands of Rupees]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
I.—CONSOLIDATED FUND OF INDIA—				
Excess of Revenue over Expenditure (from Statement B)	38,92,55	44,88	..	..
CAPITAL ACCOUNTS OUTSIDE THE REVENUE ACCOUNT—				
LIV.—Sale proceeds of American and Lease-Lend Surpluses	32.39	..	..	..
PUBLIC DEBT—				
A.—*Debt raised in India*—				
I.—PERMANENT DEBT—				
3½ per cent National Plan Bonds, 1961 (First issue) New Loans	7.38	1,00,00,00	75,29,23	75,00,00
TOTAL	7.38	1,00,00,00	75,29,23	75,00,00
II.—FLOATING DEBT—				
Treasury Bills	12,75,08,75	14,14,20,00	14,25,32,50	19,70,13,00
Treasury Deposit Receipts	16,50	..	..	..
Other Floating Loans	..	..	..	..
TOTAL	12,75,25,25	14,14,20,00	14,25,32,50	19,70,13,00
B.—*Debt raised in England*—				
Permanent Debt	..	..	..	..
C.—Other Debt	33,58,05	79,00	2,07,17	3,27,80
TOTAL—PUBLIC DEBT.	13,08,90,68	15,14,99,00	15,02,68,90	20,48,40,80
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments	13,79,77	17,57,38	18,68,68	20,90,24
Other Loans and Advances	3,16,17	2,10,52	2,47,44	2,73,45
TOTAL	16,95,94	19,67,90	21,16,12	23,63,69
TOTAL I.—CONSOLIDATED FUND OF INDIA—RECEIPTS	13,65,11,56	15,35,11,78	15,23,85,02	20,72,04,49

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
I.—CONSOLIDATED FUND OF INDIA—*contd.*				
Excess of Expenditure over Revenue (from Statement A)	..	..	16,95,68	14,21,49
CAPITAL ACCOUNTS NOT MET FROM REVENUE—				
Railway Capital (as shown in Railway Budget)	7,04,60	18,97,27	17,77,84	33,92,55
Posts & Telegraphs	6,53,46	7,59,78	7,72,02	11,48,62
Forest	21,36	27,20	22,80	28,76
Security Printing Press	5,45	7,85	7,85	5,21
Irrigation	13,48	40,00	40,00	25,00
Agricultural Improvement and Research	32,90	43,85	1,10,51	1,25,56
Industrial Development	39,71	6,74,62	7,43,20	24,09,58
Civil Aviation	87,59	2,32,00	2,17,19	3,33,80
Broadcasting	14,98	47,27	32,36	1,24,57
Ports	58,49	3,25,30	2,64,44	5,31,14
Currency	10	2,41	1,58	2,71
Mint	6,28	50,37	33,05	71,73
Initial Expenditure on New Capital at Delhi	75,50	1,59,15	1,29,76	6,07,56
Multi-purpose River Schemes	3,96,99	3,79,84	4,37,95	3,93,86
Civil Works	10,50,92	17,81,41	13,97,39	25,04,99
Capital Outlay on Electricity Schemes	19,78	44,82	23,43	76,41
Road and Water Transport Schemes	8,63	15,76	15,76	9,16
Payments of Commuted Value of Pensions	34,79	38,81	30,16	26,21
Capital Outlay on Sterling Pensions	—7,26,04	—7,15,66	—7,15,66	—7,05,17
Capital Outlay on Payment to Displaced Persons	..	..	..	4,00,00
Payments to Retrenched Personnel	37	1	—48	—1,09
Appropriation to the Contingency Fund	..	..	..	..
Transfer of the Sale Proceeds of American Loan Wheat	26,59,38	..	.	..
Defence Capital Outlay	5,96,01	15,00,00	10,36,30	17,75,00
Schemes of Government Trading	−18,42,56	3,52,21	12,92	—3,11,04
Capital Outlay on Development Grants	..	..	..	16,00,00
TOTAL	39,12,17	76,64,27	63,90,37	1,45,75,12
PUBLIC DEBT—				
A.—Debts raised in India—				
I.—PERMANENT DEBT—				
Expired Loans 2½ per cent. Loan, 1954 3½ per cent. Loan, 1954-59	97,30	1,16,70,00	1,13,61,51	49,76,00
TOTAL—CARRIED OVER	97,30	1,16,70,00	1,13,61,51	49,76,00
Carried over	39,12,17	76,64,27	80,86,05	1,59,96,61

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
I.—CONSOLIDATED FUND OF INDIA—*concld.*				
Brought forward .	39,12,17	76,64,27	80,86,05	1,59,96,61
Brought forward .	97,30	1,16,70,00	1,13,61,51	49,76,00
II.—FLOATING DEBT—				
Treasury Bills	12,74,13,25	13,04,20,00	13,45,32,50	17,20,13,00
Treasury Deposit Receipts . .	18,19,40	14,50	14,50	..
Other Floating Loans . .	2,78	..	..	..
TOTAL .	12,92,35,43	13,04,34,50	13,45,47,00	17,20,13,00
B.—Debt raised in England—				
PERMANENT DEBT—				
India Stocks . . . . } Railway Debenture Stocks . . }	13,75	4,91	2,23	38,50
State Railway Annuities . .	3,09,02	1,11,06	1,11,06	1,15,17
TOTAL .	3,22,77	1,15,97	1,13,29	1,53,67
C—Other Debt.	1,69,02	1,76,50	1,75,17	1,71,97
TOTAL—PUBLIC DEBT. .	12,98,24,52	14,23,96,97	14,61,96,97	17,73,14,64
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments .	91,97,22	93,28,27	1,18,37,04	1,78,79,17
Other Loans and Advances .	10,37,54	22,72,29	19,33,66	29,05,92
TOTAL .	1,02,34,76	1,16,00,56	1,37,70,70	2,07,85,09
TOTAL I.—CONSOLIDATED FUND OF INDIA—DISBURSEMENTS . . .	14,39,71,45	16,16,61,80	16,80,53,72	21,40,96,34

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
II.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Appropriations from the Consolidated Fund or from any Reserve Fund .	..	..	..	..
TOTAL II.—CONTINGENCY FUND OF INDIA—RECEIPTS	..	..	..	..

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Deposits of Service Funds . .	16,76	15,48	15,23	14,60
Post Office Savings Bank Deposits .	1,13,35,23	1,16,97,00	1,14,69,00	1,16 41,00
Defence Savings Bank Deposits .	..	..	..	..
Post Office Cash Certificates . .	—14	..	..	..
Defence Savings Certificates . .	..	..	..	.
National Savings Certificates . .	25,92,70	30,00,00	31,50,00	35,00,00
State Provident Funds . . .	23,28,74	22,04,61	27,68,31	28,55,25
Other Accounts	1,74,82	1,74,94	1,79,67	1,88,42
Ten-year Treasury Savings Deposit Certificates	7,69,89	10,00,00	7,00,00	8,00,00
TOTAL .	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27
DEPOSITS AND ADVANCES—				
Depreciation and other Reserve Funds—				
(*a*) *Interest-bearing*—				
Railway Depreciation and Reserve Funds as per Railway Budget . . .	36,72,16	34,65,09	34,96,28	34,77,18
Railway Development Fund as shown in Railway Budget	12,75,96	9,95,94	3,88,68	5,64,40
P. & T. Renewals Reserve Fund	75,00	1,00,00	1,00,00	1,25,00
Telephone Development Fund	41,17	30,00	58,00	60,00
Other Reserve Funds . .	14,18	32,62	28,53	42,93
(*b*) *Non-interest bearing*—				
Other Reserve Funds . .	50,43	4,51	4,87	4,46
Appropriation for Reduction or Avoidance of Debt. .	5,00,00	5,00,00	5,00,00	5,00,00
Other Deposits and Advances—				
(*a*) *Interest bearing*—				
Optional Deposits of Excess Profits Tax under the Indian Finance Act, 1942 . .	32,37	..	..	..
Compulsory Deposits of Excess Profits Tax under Ordinance No. XVI of 1943 . .	19,61	75,00	1,00,00	35,00
Anticipatory Deposits made after provisional assessment of Excess Profits Tax . .	6,50	15	30	..
Deposits towards payment of Excess Profits Tax . .	6,98	..	..	..
Deposits towards payment of Income Tax	65,40	30,00	45,00	40,00
Advance payment of Tax under Section 18-A of the Income Tax Act	2,44,75	..	..	.
Deposits of Trusts for Indian Princes	6,03	5,86	5,86	5,70
Other Deposits	2,12	..	2,50	.
Carried over . .	60,12,66	52,39,17	47,30,02	48,54,67
Carried over .	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees.]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*contd.* Brought forward .	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27
Brought forward .	60,12,66	52,39,17	47,30,02	48,54,67
(*b*) *Non-interest bearing*—				
Silver Redemption Reserve .	44,79	22,54	22,54	22,54
Central Road Fund . .	6,42,17	6,09,83	5,35,22	5,28,12
Coal Mines Safety and Conservation Fund . . .	..	..	..	1,10,00
Kutch Benevolent Fund .	1,00	50	50	50
Fund for Development of Handloom Weaving Industry .	5,00	..	..	..
Fund for the Benefit of Cotton-growers	49,54	27,03	1,29,90	1,50,00
Cotton Textiles Fund . .	..	..	..	..
Fund for payment of Bonus to Temporary Clerical Personnel under the Unified Scale of Pay	10	15	..	..
Sugar (Temporary) Excise Fund	..	..	..	.
Reserve Fund for Protection of Sugar Industry . .	..	5,32	1,63	3,69
Fund for Relief of Ground-nut Cultivators . . .	..	12	..	9
Fund for Development of Handloom and Khadi Industries	..	6,00,00	7,27,22	6,18,04
Tea Improvement Fund. .	..	87,14	..	1,40,16
Coffee Marketing and Improvement Fund . . .	..	4,00	..	24,96
Rubber Production and Marketing Fund . . .	..	1,80	..	5,03
Development Fund . .	..	5,00	..	..
Special Development Fund—				
Fund from the Sale proceeds of American Loan Wheat	26,68,40	..	..	..
Fund from the Sale proceeds of Wheat received under the Colombo Plan . . .	7,36,73	2,43,63	..	..
Fund from other Assistance under the Colombo Plan .	..	7,87,67	5,18,00	2,80,45
Fund from Assistance under the Indo-U.S. Technical Co-operation Agreement . .	2,06	19,40,64	18,24,63	42,04,27
Fund for Assistance from Norway for Fisheries Community Development . .	..	..	..	27,00
Coal Mines Labour Housing and General Welfare Fund	1,36,27	98,28	1,00,00	1,00,00
Mica Mines Labour Welfare Fund.	22,70	30,00	25,00	25,00
Coal Production Fund . .	—22	..	62	3,55
P.O. Certificate Bonus Fund	3,77,71	4,16,79	4,52,84	5,06,58
Deposits of Local Funds .	4,07,01	2,78,57	3,57,75	4,13,13
Civil Deposits . . .	1,73,56,17	1,70,40,37	1,56,72,25	1,52,73,38
Other Deposits . . .	48,20,23	45,65,59	47,93,66	47,05,21
Carried over . .	3,32,82,32	3,20,04,14	2,98,91,78	3,19,96,37
Carried over . .	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees.]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*contd.* Brought forward	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27
Brought forward .	3,32,82,32	3,20,04,14	2,98,91,78	3,19,96,37
Account of payment in respect of provisional assessment of Exces Profits Tax .	—5,17	2,00	3,00	..
Deposit Account of refundable Excess Profits Tax . .	—8,50	25,00	25,00	15,00
Deposit account of refundable Central Income-Tax Surcharge	..	.	..	.
Deposit account of interest on Excess Profits Tax Deposits .	46,97	12,50	7,00	7,30
Deferred pay of Indian Troops	..	1,39,96	1,39,68	1,37,43
Post War Reconstruction Fund .	..	..	2,07	..
Other Accounts . . .	2,30,76	2,03,32	14,44,78	15,84,74
Accounts with the Government of Burma	21,23	19,40	11,99	12,2o
Accounts with the Reserve Bank	82,85	63,54	89,63	89,6
Other Advances . . .	95,11,38	90,62,41	96,83,86	86,24,50
Value of One-rupee Notes issued	5,00,00	5,00,00	5,00,00	5,00,00
Purchases and sales of Silver (net)	..	80	2,80	,8o
Sales of lease-lend Silver (net) .	..	..	..	..
Cash Balance Investment Account (net)	..	..	48,00,00	..
Profits on circulation of nickel, bronze and copper coins (net) .	..	..	..	..
Discount Sinking Fund . .	79,65	82,67	82,67	1,:3,96
Bonus on Loans . . .	..	..	..	..
Other Suspense Accounts (net)	2,54,08	17,13,00	31,18,95	36,27,86
Cheques and Bills (net) . .	..	92,93	57,83	55,8
Departmental and Similar Accounts (net)	..	..	4,72,69	..
Miscellaneous	1,46,46	86,39	1,02,29	79,83
TOTAL .	4,41,42,03	4,40,08,06	5,04,36,02	4,68,37,50
Carried over . .	6,13,60,03	6,21,00,09	6,87,18,23	6,58,36,77

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees.]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*concld.*				
Brought forward	6,13,60,03	6,21,00,09	6,87,18,23	6,58,36,77
I REMITTANCES				
REMITTANCES WITHIN INDIA—				
Inland Money Orders .	2,04,80,76	2,10,00,00	2,04,00,00	2,05,00,00
Other Remittances	..	5,02,83	4,43,72	3,94,90
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Posts and Telegraphs . . .	15,09,88	18,07,88	18,25,76	15,83,60
Exchange Accounts between Civil and Defence Services .	1,43,18,95	1,78,60,61	1,72,87,29	1,84,19,03
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account between England and India—				
Purchases and Sales of Silver	..	..	..	
Other Transactions . . .	1,80,16,74	1,85,79,03	1,26,82,52	1,21,44,72
TOTAL	5,43,26,33	5,97,50,35	5,26,39,29	5,30, 2,25
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	1,46,96,44	1,85,09,38	1,26,73,92	1 ,2166,12
RESERVE BANK DEPOSITS : RAILWAYS	..	—19,61,73	—22,01,44	—38,27,01
TOTAL III.—PUBLIC ACCOUNT—RECEIPTS . . .	13,03,82,80	13,83,98,09	13,18,30,00	12,72,18,13
TOTAL (I + II + III) . .	26,68,94,36	29,19,09 87	28,42,15,02	33,44,22,62
OPENING BALANCE .	1,62,68,08	79,83,89	99,14,21	50,85,14
GRAND TOTAL . .	28,31,62,44	29,98,93,76	29,41,29,23	33,95,07,76

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees.]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
II.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Special Loans	25	12	26	26
Deposits of Service Funds . .	25,09	24,99	24,46	24,25
Post Office Savings Bank Deposits	95,55,92	99,47,00	1,01,19,00	1,02,91,00
Defence Savings Bank Deposits .	..	..	1,22,00	..
Post Office Cash Certificates .	2,92,80	2,94,00	2,36,00	2,07,00
Defence Savings Certificates .	54,86	56,00	64,00	20,00
National Savings Certificates .	7,48,64	8,07,00	7,50,20	8,50,20
State Provident Funds . .	14,74,20	11,37,32	13,93,63	13,37,28
Other Accounts . . .	1,62,55	1,58,46	1,58,54	1,57,49
Ten-year Treasury Savings Deposit Certificates	30,09	1,00,00	50,00	50,00
TOTAL .	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48
DEPOSITS AND ADVANCES—				
Depreciation and Other Reserve Funds—				
(*a*) *Interest bearing*—				
Railway Depreciation and Reserve Funds as per Railway Budget . .	41,03,52	40,91,66	42,40,53	43,29,75
Railway Development Fund as per Railway Budget. .	8,10,22	13,78,23	12,40,80	10,59,37
P. & T. Renewals Reserve Fund .	95,86	1,40,22	1,34,70	1,45,00
Telephone Development Fund .	34,69	30,00	30,00	75,00
Other Reserve Funds . .	5,95	61,61	33,59	69,97
(*b*) *Non-interest bearing*—				
Other Reserve Funds . .	4,85	6,57	4,84	3,78
Appropriation for Reduction or Avoidance of Debt—				
Sinking Funds . . .	..	..	.	..
Other Deposits and Advances—				
(*a*) *Interest bearing*—				
Optional Deposits of Excess Profits Tax under the Indian Finance Act, 1942 . .	69,32	..	..	10
Compulsory Deposits of Excess Profits Tax under Ordinance No. XVI of 1943 . .	6,36,73	2,05,00	2,15,00	60,00
Anticipatory Deposits made after provisional assessment of Excess Profits Tax . .	4,43	4,40	10,00	4,00
Carried over . .	57,65,57	59,17,69	59,09,46	57,47,06
Carried over . .	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*contd.* Brought forward	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48
Brought forward	57,65,57	59,17,69	59,09,46	57,47,06
Deposits towards payment of Excess Profits Tax	6,58,40	50	5	50
Deposits towards payment of Income Tax	74,87	65,00	75,00	70,00
Advance payment of Tax under Section 18A of the Income Tax Act	19,01,32	4,00,00	8,00,00	2,35,00
Deposits of Trusts for Indian Princes	22,11	22,11	22,11	22,11
(*b*) *Non-interest bearing*—				
Silver Redemption Reserve	44,79	22,54	22,54	22,54
Central Road Fund	3,72,58	5,96,53	5,60,92	6,11,90
Coal Mines Safety and Conservation Fund	..	..	..	80,26
Kutch Benevolent Fund	33	50	50	50
Fund for the Benefit of Cottongrowers	60,21	70,00	2,17,99	1,81,41
Cotton Textiles Fund	14	24,66	23,53	24,67
Sugar (Temporary) Excise Fund	9,71	33,00	22,88	68,10
Reserve Fund for Protection of Sugar Industry	2,71	..	1,91	23,89
Fund for Relief of Groundnut Cultivators	1,50	2	52	4
Fund for Relief of Linseed Cultivators	..	..	4	41
Fund for Development of Handloom and Khadi Industries	..	2,00,00	5,85,26	7,60,00
Tea Improvement Fund	..	94,20	..	83,56
Coffee Marketing and Improvement Fund	..	4,00	..	5,65
Rubber Production and Marketing Fund	..	1,80	..	1,77
Development Fund	5	7,00	..	..
Workmen's Benefit Fund	..	..	50	1,71
Special Development Fund—				
Fund from the Sale proceeds of American Loan Wheat	15,18,10	28,79,00	24,17,00	21,27,00
Fund from the Sale proceeds of Wheat received under the Colombo Plan	4,63,54		4,22,00	..
Fund from other Assistance under the Colombo Plan	..	6,95,00	5,18,00	2,53,78
Fund from Assistance under the Indo-U.S. Technical Co-operation Agreement	..	8,45,00	8,70,63	31,36,95
Fund for Assistance from Norway for Fisheries Community Development	..	..	..	27,00
Coal Mines Labour Housing and General Welfare Fund	56,62	1,15,00	1,00,00	1,28,00
Mica Mines Labour Welfare Fund	5,93	29,18	19,94	25,93
Coal Production Fund	..	..	..	..
Fund for Development of Handloom Weaving Industry	51	..	..	..
P.O. Certificate Bonus Fund	73,48	95,36	81,28	73,35
Deposits of Local Funds	3,68,76	3,23,39	3,94,87	4,16,01
Civil Deposits	1,75,33,41	1,71,74,82	1,55,89,74	1,50,61,22
Other Deposits	46,63,72	46,14,59	46,05,92	46,53,57
Carried over	3,35,98,36	3,42,30,89	3,32,62,59	3,38,52,89
Carried over	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*contd.*				
Brought forward	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48
Brought forward	3,35,98,36	3,42,30,89	3,32,62,59	3,38,52,89
Transactions connected with war, 1939	43,54	2,00	..	..
Account of payment in respect of provision assessment or Excess Profits Tax	31,23	44,00	1,00,00	40,00
Deposit account of refundable Excess Profits Tax	7,06,34	5,05,00	5,08,00	1,05,00
Deposit account of refundable Central Income Tax Surcharge	- 1,48	50	50	..
Deposit account of interest on Excess Profits Tax Deposits	..	11,[illegible]	17,00	6,00
Deferred Pay of Indian Troops	..	29,50	89,79	85,00
Post War Reconstruction Fund	..	1[illegible],36	41,14	80
Other Accounts	1,56,99	1,94,35	15,40,16	16,16,50
Account with the Government of Burma	20,68	18,60	12,20	12,10
Accounts with the Reserve Bank	94,59	57,84	86,88	86,84
Other Advances	84,46,68	89,90,56	92,18,96	86,54,[illegible]2
Value of One-rupee Notes issued	..	..	..	..
Purchases and Sales of Silver (net)	9,50	..	..	..
Sales of lease-lend Silver (net)	..	..	..	..
Cash Balance Investment Account (net)	15,60,33	..	..	..
Profit on circulation of nickel, bronze and copper coins (net)	1,07,28	1,31,50	1,27,05	1,28,48
Discount Sinking Fund	..	..	..	..
Bonus on Loans	19	2	..	..
Other suspense Accounts (net)	..	..	..	..
Cheques and Bills (net)	3,20,21	..	..	..
Departmental and Similar Accounts (net)	18,69,64	1,21,23	..	1,15,63
Miscellaneous	1,22,83	86,56	1,05,36	80,00
	4,70,86,91	4,44,36,91	4,51,09,63	4,47,83,2
Carried over	5,94,31,31	5,69,61,80	5,80,27,72	5,77,2

C.—Statement of the Receipts and Disbursements of the Central Government—*concld.*

[In thousands of Rupees.]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*concld.*				
Brought forward	5,94,31,31	5,69,61,80	5,80,27,72	5,77,20,74
REMITTANCES—				
I.—REMITTANCES WITHIN INDIA—				
Inland Money Orders . .	2,04,62,80	2,09,00,00	2,03,50,00	2,04,50,00
Other Remittances . . .	9,82,51	4,06,10	3,44,60	4,57,16
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Posts and Telegraphs	14,74,02	18,07,88	18,25,76	15,83,60
Exchange Accounts between Civil and Defence Services .	1,43,46,21	1,78,60,61	1,72,87,29	1,84,19,03
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Accounts between England and India—				
Purchases and sales of Silver . .	..	..	..	..
Other Transactions . . .	1,79,70,78	1,85,79,03	1,26,82,52	1,21,44,72
TOTAL .	5,52,36,32	5,95,53,62	5,24,90,17	5,30,54,51
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank . . .	1,46,09,15	1,85,09,38	1,26,73,92	1,21,66,12
RESERVE BANK DEPOSITS : RAILWAYS—	..	—19,61,73	—22,01,44	—38,27,01
TOTAL III.—PUBLIC ACCOUNT—DISBURSEMENTS . .	12,92,76,78	13,30,63,07	12,09,90,37	11,91,14,36
TOTAL.—(I+III). . .	27,32,48,23	29,47,24,87	28,90,44,09	33,32,10,70
Closing Balance .	99,14,21	51,68,89	50,85,14	62,97,06
GRAND TOTAL .	28,31,62,44	29,98,93,76	29,41,29,23	33,95,07,76

THE INDIAN FINANCE BILL AS INTRODUCED

A Bill to give effect to the financial proposals of the Central Government for the financial year 1954-55.

Be it enacted by Parliament as follows:—

1. **Short title.**—This Act may be called the Finance Act, 1954.

2. **Income-tax and super-tax.**—The provisions of section 2 of the Finance Act, 1951 (XXIII of 1951) as originally enacted, and the provisions of the First Schedule thereof as amended by clause (*b*) of section 2 of the Finance Act, 1953 (14 of 1953), shall apply in relation to income-tax and super-tax for the financial year 1954-55 with the modifications that,—

(*a*) references in the Finance Act, 1951 (XXIII of 1951), to the year beginning on the 1st day of April, 1951, shall be construed as references to the year beginning on the 1st day of April, 1954;

(*b*) references in the said Act to the Finance Act, 1950 (XXV of 1950), shall be construed as references to the Finance Act, 1953 (14 of 1953); and

(*c*) references in the said Act and the First Schedule thereof to the year ending on the 31st day of March, 1952, shall be construed as references to the year ending on the 31st day of March, 1955.

3. **Amendment of Act XI of 1922.**—With effect from the 1st day of April, 1954, the following amendments shall be made in the Indian Income-tax Act, 1922, namely:—

(*a*) in section 4—

(*i*) in sub-section (*1*), in clause (*i*) of the fifth proviso, for the figures "1954", the figures "1956" shall be substituted;

(*ii*) in sub-section (*3*)—

(*a*) in clause (*xii*), for the figures "1954", the figures "1956" shall be substituted;

(*b*) after clause (*xix*), the following clause shall be inserted, namely:—

"(xx) any income from interest payable without the taxable territories on a loan issued for public subscription before the 1st day of April, 1938, where such interest is payable to a person not resident in the taxable territories, but such income shall not be excepted from being included in his total world income notwithstanding anything in clause (*15*) of section 2;"

(b) in section 10, in sub-section (2), in sub-clause (a) of clause (vi), for the figures "1954", the figures "1956" shall be substituted;

(c) in section 15C, in clause (ii) of sub-section (2), for the word "six", the word "eight" shall be substituted.

4. Amendment of Act 34 of 1953.—In the Estate Duty Act, 1953 the following amendments shall be made, and shall be deemed to have been made with effect from the 15th day of October, 1953 namely:—

(a) in section 5, in sub-section (1), after the words "which passes", the words "or is deemed to pass" shall be inserted;

(b) in section 33, in sub-section (1),—

(i) in clause (f), the words "but not exceeding rupees fifty thousand" shall be omitted;

(ii) in clause (g), the words "but not exceeding rupees fifty thousand" shall be omitted, and the following proviso shall be inserted at the end, namely:—

"Provided that the moneys in respect whereof no estate duty shall be payable under both clauses (f) and (g) shall not exceed rupees fifty thousand in the aggregate."

5. Amendment of Act XXXII of 1934.—(1) The Indian Tariff Act, 1934 (XXXII of 1934), shall be amended in the manner specified in the First Schedule.

(2) For the removal of doubt, it is hereby declared that nothing contained in the proviso to section 4 of the Indian Tariff (Amendment) Act, 1949 (I of 1949), shall affect the operation of clause (c) of Part I of the First Schedule.

6. Additional duties of Customs.—When any goods chargeable with a duty of customs under the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), or under that Schedule read with any notification of the Central Government for the time being in force, are assessed to duty, there shall, up to the 31st day of March, 1955, be levied and collected as an addition to, and in the same manner as, the total amount so chargeable—

(a) a sum equal to 155 per cent. of such amount, in the case of goods comprised in Items Nos. 22(2) and 22(4);

(b) a sum equal to 55 per cent. of such amount, in the case of goods comprised in Items Nos. 48, 48(2), 48(6) and 51(2), and in the case of textile manufactures specified in Item No. 49 when made wholly or mainly of any of the fabrics specified in Items Nos. 48, 48(1), 48(4), 48(5), 48(7) or 48(10);

(*c*) a sum equal to 45 per cent. of such amount, in the case of goods comprised in Item No. 47(2);

(*d*) a sum equal to 25 per cent. of such amount, in the case of goods comprised in any of the Items of the said Schedule other than those specified in clauses (*a*), (*b*) and (*c*) of this section or in the Second or the Third Schedule to this Act; and

(*e*) a sum equal to 5 per cent. of such amount, in the case of goods comprised in any of the Items of the said Schedule specified in the Third Schedule to this Act.

7. Amendment of Act I of 1949.—In the Indian Tariff (Amendment) Act, 1949 (I of 1949), in sections 4 and 5, for the figures "1954", the figures "1955" shall be substituted.

8. Amendment of Act I of 1944.—With effect from the 28th day of February, 1954, the following amendments shall be made in the First Schedule to the Central Excises and Salt Act, 1944 (I of 1944):—

(*a*) for Item No. 12, the following Items shall be substituted, namely:—

"12. COTTON CLOTH—

"Cotton cloth" means any type of cloth manufactured either wholly from cotton or partly from cotton and partly from any other material, but does not include—

(*i*) ready made clothing other than dhoties and sarees;

(*ii*) hosiery ;

(*iii*) leather cloth and inferior or imitation leather cloth ordinarily used in book-binding ;

(*iv*) tracing paper ;

(*v*) cloth manufactured partly from cotton and partly from wool and containing 40 per cent. or more of wool by weight ;

(*vi*) cloth manufactured partly from cotton and partly from rayon or artificial silk and containing 60 per cent. or more of rayon or artificial silk by weight ;

(*vii*) rubberised or synthetic waterproof fabrics whether single-textured or double-textured ; and

(*viii*) handloom cloth.

(1) Superfine cloth—	
that is to say, cloth in which the count of warp yarn (whether single or folded) is 48s or finer.	Two annas and six pies per yard.
(2) Fine cloth—	
that is to say, cloth in which the count of warp yarn (whether single or folded) is 35s or finer but does not exceed 47s.	One anna and six pies per yard.

(3) Medium cloth—	
that is to say, cloth in which the count of warp yarn (whether single or folded) is 27s or finer but does not exceed 34s.	Six pies per yard.
(4) Coarse cloth—	
that is to say, all other cloth in which the count of warp yarn (whether single or folded) does not exceed 26s.	Six pies per yard.
12A. RAYON OR ARTIFICIAL SILK FABRICS—	
"Rayon or Artificial Silk Fabrics" include all varieties of fabrics manufactured either wholly or partly from the product commercially known as rayon or artificial silk, but do not include any fabric containing—	One anna and six pies per square yard.
(*i*) less than 60 per cent. of rayon or artificial silk by weight, if mixed with cotton ;	
(*ii*) less than 40 per cent. of rayon or artificial silk by weight, if mixed with any yarn other than cotton.	

(*b*) after Item No. 14, the following Items shall be inserted, namely :—

"15. CEMENT, all varieties—	Rupees five per ton.
16. SOAP, produced in a factory ordinarily using power—	
"Soap" includes all varieties of the product known commercially as soap,—	
(1) Soap, household and laundry,—	
(*a*) in plain bars of not less than one pound in weight	Rupees five and annas four per cwt.
(*b*) other sorts	Rupees six and annas two per cwt.
(2) Soap, toilet	Rupees fourteen per cwt.
(3) Soap not otherwise specified	Rupees fourteen per cwt.

17. FOOTWEAR, produced in any factory, as defined in the Factories Act 1948 (Act LXIII of 1948).

"Footwear" includes all varieties of footwear, whether known as boots, shoes, sandals, chappals, or by any other name.	"Ten per cent *advalorem*."

9. Amendment of Act 12 of 1953.—In section 2 of the Khadi and Other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953, for clause (*b*), the following clause shall be substituted, namely:—

"(*b*) 'cloth' means cotton cloth and rayon or artificial silk fabrics as defined in the First Schedule to the Central Excises and Salt Act, 1944 (I of 1944)."

10. Additional duties of excise.—The provisions of section 8 of the Finance Act, 1951 (XXIII of 1951), shall continue in force up to the 31st day of March, 1955, and accordingly in that section for the figures "1954" as substituted therein by section 7 of the Finance Act, 1953 (14 of 1953), the figures "1955" shall be substituted.

11. Certain duties of excise to apply to existing stocks also.—The amendments made by sections 8 and 9 shall apply to rayon or artificial silk fabrics, cement, soap and footwear lying in stock on the 28th day of February, 1954, in any factory or other premises where the said articles are manufactured or produced, or in any premises appurtenant thereto, as they apply to the same articles manufactured or produced on or after the said date.

12. Discontinuance of salt duty.—For the year beginning on the 1st day of April, 1954, no duty shall be levied on salt manufactured in, or imported by sea or land into, the territory of India excluding the State of Jammu and Kashmir.

Declaration under the Provisional Collection of Taxes Act, 1931 (XVI of 1931).

It is hereby declared that it is expedient in the public interest that the provisions of clauses 5, 6. 7, 8, 9, 10, and 11 of this Bill shall have immediate effect under the Provisional Collection of Taxes Act, 1931 (XVI of 1931).

THE FIRST SCHEDULE

(*See* section 5)

PART I

In the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934),—

(*a*) in Item No. 9(3), in the second column, after the word "Cardamoms", the word "cassia" shall be inserted;

(*b*) in Item No. 9(5), for the entries in the fourth and sixth columns, the entries "Re. 1-1-3 per lb." and "Re. 1 per lb." shall respectively be substituted;

(*c*) Item No. 9 (7) shall be omitted;

(*d*) in Item No. 28(12), for the entry in the fourth column the entry "36 per cent. *ad valorem*" shall be substituted;

(*e*) in Item No. 30(6), for the entry in the fourth column, the entry "20 per cent. *ad valorem*" shall be substituted;

(*f*) in Item No. 32(2), for the entries in the fourth column against sub-items (a) and (b), the entries "Rs. 7 per cwt." and "Rs. 10-2-0 per cwt." shall respectively be substituted;

(*g*) in Item No. 37(1), in the second column, the words "Leather cloth, including artificial leather, and other" shall be omitted;

(*h*) in Item No. 44(4), for the entry in the fourth column, the entry "66⅔ per cent. *ad valorem*" shall be substituted;

(*i*) in Item No. 50(3), for the entry in the fourth column, the entry "10 per cent. *ad valorem*" shall be substituted;

(*j*) item No. 61(a) shall be omitted;

(*k*) in Item No. 71(13), for each of the entries in the fourth column, the entry "66⅔ per cent. *ad valorem*" shall be substituted;

(*l*) in Item No. 72, in sub-item (e), in the second column, the word "conduits" shall be omitted;

(*m*) in Item No. 72(3), after the words "for any other purpose", the words "but excluding small tools like twist drills and reamers, dies and taps, gear cutters and hacksaw blades" shall be inserted;

(*n*) in Item No. 73(6),—

(*i*) in the second column, for the words "Rubber-insulated", the words "Plastic-insulated and rubber-insulated" shall be substituted; and

(*ii*) for the entry in the fourth column, the entry "20 per cent. *ad valorem*" shall be substituted;

(*o*) in Item No. 73(16), for the entries in the fourth column against sub-items (a) and (b), the entries "50 per cent. *ad valorem*" and "60 per cent. *ad valorem*" shall respectively be substituted;

(*p*) in Item No. 73(17), for the entries in the fourth column against sub-items (a) and (b), the entries "50 per cent. *ad valorem*" and "60 per cent. *ad valorem*" shall respectively be substituted;

(*q*) in Items Nos. 75(1), 75(9), 75(10), 75(11), 75(12) and 75(14), in the entries in the third column, the word "preferential" shall be omitted wherever it occurs, and the corresponding entries in the fifth column shall be omitted;

(*r*) in Item No. 77(4), to the existing entry in column 2, the words "not otherwise specified" shall be added.

PART II

In the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), for Items Nos. 63(12), 63(15), 63(18), 72(14), 72(35) and 73(15), the following Items shall be substituted, and such substitutions shall be inserted in their appropriate places :—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
63(12)	Iron or steel bolts and nuts including hook-bolts and nuts for roofing and fish bolts and nuts, but excluding machine screws.	Revenue	50 per cent. *ad valorem.*	..	..	
63(15)	Iron or steel rivets	Revenue	50 per cent. *ad valorem.*	..	..	
63(18)	(*a*) Iron or steel pipes and tubes not otherwise specified.	Revenue	20 per cent. *ad valorem.*	..	..	
	(*b*) Fittings for iron or steel pipes and tubes falling under Item 63(18) (a), that is to say, bends, boots, elbows, tees, sockets, flanges, plugs, valves, cocks and the like, but excluding fittings otherwise specified.	Revenue	31 1/4 per cent *ad valorem.*	.	..	
72(14)	(*a*) The following electric motors, namely, Squirrel cage induction motors of a brake-horse-power not exceeding 20, including fractional brake-horse-power.	Protective	10 1/2 per cent. *ad valorem.*			December 31st, 1954.
	(*b*) Component parts of electric motors as defined in Item 72(14) (*a*), but excluding control gear for the same, provided that only such articles shall be deemed to be component parts as are essential for the working of the electric motors and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose.	Protective	20 per cent. *ad valorem.*			December 31st, 1954.

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
72(35)	Ball bearings of all kinds not exceeding 2" bore diameter adapted for use as parts and accessories of motor vehicles other than motor cycles and motor scooters.	Protective .	94 1/2 per cent. *ad valorem.*	..	..	December 31st, 1954.
73(15)	Batteries for motor vehicles (including batteries which are interchangeable for automobile purposes on the one hand and radio, telephone and telegraph on the other) and plates for such batteries.	Protective .	45 1/2 per cent. *ad valorem.*	..	..	December 31st, 1955.

PART III

In the First Schedule to the Indian Tariff Act, 1934—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
	(*i*) after Item No. 37 (1), the following Item shall be inserted, namely :—					
37(2)	Leather cloth, including artificial leather, and manufactures thereof not otherwise specified.	Revenue	50 per cent. *ad valorem.*	..	.	
	(*ii*) after Item No. 73(17), the following Items shall be inserted, namely :—					
73(18)	Electric fans including air circulators but excluding those which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose.	Preferential revenue.	50 per cent. *ad valorem.*	40 per cent. *ad valorem.*	.	
73(19)	Conduits designed as parts of a transmission system, and their accessories and fittings.	Revenue	20 per cent. *ad valorem.*	..	..	
	(*iii*) after Item No. 77(5), the following Item shall be inserted, namely :—					
77(6)	Spectacle frames, all sorts, other than spectacle frames made of or plated with gold and silver or with either of them and parts thereof.	Revenue	50 per cent. *ad valorem.*	..		
	(*iv*) after Item No. 82(3), the following Item shall be inserted, namely :—					
82(4)	P. V. C. Sheets (that is to say, Polyvinyl Chloride sheets), unsupported.	Revenue	50 per cent. *ad valorem.*	..		

THE SECOND SCHEDULE

(*See section 6*)

Goods on which additional duty of customs is not leviable.

Goods comprised in the following Items of the First Schedule to the Indian Tariff Act, 1934, namely :—

1(1), 2, 4 (1), 4 (3), 4 (4), 4(5), 7 (1), 8(1), 8 (4), 8 (5), 9 (5), 9(6)12 (6), 13 (8), 13 (9), 15 (5), 15 (9), 15 (10), 15 (11), 15 (12), 16, 16 (1), 16 (3), 19, 19 (1), 19 (2), 19(3), 20, 20 (1), 20 (2), 20 (3), 20 (6), 20 (7), 21, 21 (4), 21 (5), 21 (6), 21 (7), 21 (8), 21 (9), 22 (3), 22 (5), 27 (1), 27 (3), 27 (4), 27 (9), 28A, 28 (14), 28 (21), 28 (22), 28 (23), 28 (24), 28 (25), 28 (26), 28 (26A), 28 (27), 28 (28), 28 (29), 28 (30), 30 (1), 30 (2), 30 (6), 30 (7), 30 (11), 30 (12), 30 (13), 31(4), 31 (5), 32(2), 37 (2), 40 (6), 40 (7), 44 (1), 44 (4), 44 (7), 45 (3), 45 (4), 45 (5), 48 (1), 48 (3), 48 (4), 48 (5), 48 (7), 48 (8), 48 (9), 48 (10), 49 (*c*), 49 (1), 49 (2), 51, 52, 52 (4), 53 (2), 54, 55 (1),55 (2), 55 (3), 56, 56 (1), 59 (2), 59 (3), 59 (4), 59 (5), 60, 60 (4), 60 (5), 61, 61 (11), 63 (12), 63 (15), 63 (18), 70 (10), 70 (11), 71 (9),71 (10), 71 (13), 72 (4), 72 (5), 72 (14), 72 (26), 72 (27), 72 (28), 72 (35), 73 (4), 73 (6), 73 (8), 73 (9), 73 (10), 73(11), 73(12), 73(16), 73 (17), 73 (18), 73 (19), 74 (4),75 (1), 75(14), 76, 77 (2), 77 (4), 77 (6), 78 (1), 79, 82 (4), 83, 84 (1), 85, 85 (2), 86, 86, (1).

THE THIRD SCHEDULE

(*See* section 6)

Goods on which additional duty of customs at 5 per cent. is leviable

Goods comprised in the following Items of the First Schedule to the Indian Tariff Act, 1934, namely :—

4, 8 (2), 9 (3), 11 (2), 11 (4), 11 (5), 11 (6), 13 (4), 15, 21 (3), 24, 24 (1), 24 (2), 24 (3), 25 (1), 27 (2), 27 (5), 27 (6), 27 (7), 27 (8), 28 , 28 (4), 28 (8), 28 (12), 28 (15), 28 (16), 28 (17), 28 (18), 28(19), 28 (20), 28 (31), 29, 29 (1), 30, 30 (9), 30 (10), 34 (3), 40 (4), 40 (5), 43, 44, 45, 46, 46 (3), 47, 50 (3), 55,60 (2), 60 (3), 60 (6), 60 (7), 61 (2), 61 (3), 61 (8), 61 (9), 62 (1), 62 (2), 63 (14), 63 (30) 63(31), 63 (32), 63 (33), 63 (34), 63 (35), 64, 64 (3), 64(4), 65, 66, 66 (1), 67, 67 (1), 67 (2), 68, 68 (2), 69 (2), 70, 70 (1), 70 (2), 70 (3), 70 (4), 70 (5), 70 (6), 70 (9), 71 (2), 71 (3), 71 (7), 71 (8), 71 (11), 72, 72 (1), 71 (2), 72(3) 72 (11), 72 (12), 72 (13), 72 (15) , 72 (16), 72 (17), 72(18), 72 (19), 72 (20), 72 (21), 72 (22), 72 (73), 72 (24), 72 (25), 72 (33), 72 (84), 73 (2), 73 (7), 73 (14), 73 (15), 74 (2), 75, 75 (2), 75 (3), 75 (5), 75 (6), 75 (7), 75 (8), 75 (9), 75 (10), 75 (11), 75 (12), 75 (13). 77 (5), 78, 82 (1), 82 (3), 84, 85 (1).

STATEMENT OF OBJECTS AND REASONS

The object of this Bill is to give effect to the financial proposals of the Central Government for the next financial year and to provide for a few connected matters.

The Bill prescribes, as usual, the rates of income tax and super tax and surcharges thereon for the next financial year. It also continues certain concessions for a further period.

The Estate Duty Act, 1953, is also sought to be amended to make it clear that property which is deemed to pass on death is as much subject to the payment of duty as property actually passing on death.

The amendments to the Indian Tariff Act, 1934, are for the purpose of increasing certain duties such as those on betel nuts, iron bolts, electric fans, spectacle frames, etc. and for the levy of a duty on quinine. Similarly the Central Excises and Salt Act is being amended to levy an excise duty on certain new articles like cement, soap and footwear and for the enhancement of the duties on cotton cloth.

The notes on clauses explain in detail the provisions in the Bill.

C. D. DESHMUKH.

NEW DELHI;

The 27th February, 1954.

Notes on Clauses

Clause 2 continues for the financial year 1954-55, the rates of income-tax and super-tax applicable in 1953-54 without any change.

Clause 3 amends certain sections of the Indian Income-tax Act extending by two years upto 1956 pending the report of the Taxation Enquiry Commission, the concessions which are to expire on the 31st March, 1954. The concessions whose period has been extended are:—

(*i*) exemption of foreign profits chargeable on remittance only in the case of a resident person;

(*ii*) exemption for two years of income from property built before the 1st April, 1956;

(*iii*) initial depreciation allowance at the rate of 15 per cent. in the case of buildings completed before the 1st April, 1956;

(*iv*) exemption available under section 15-C if production is commenced before the 1st April, 1956.

Exemption is also being given in respect of interest payable outside India to a non-resident on a loan issued for public subscription outside India. Interest on such loans was intended to be exempted when the law was amended in 1939, but somehow the intention was not carried out and the exemption was given by executive orders.

Clause 4 makes two amendments in the Estate Duty Act, 1953, with retrospective effect from the 15th October, 1953, from which date the Act came into force.

The first amendment is for removing any doubt that the charge is on the estate which passes *including* the estate which is deemed to pass on a person's death, particularly as a number of clauses refer also to property deemed to pass on death.

The second amendment is to restrict the exemption given by clauses (f) and (g) of section 33 of the Act. The intention has always been that the aggregate exemption under clauses (f) and (g) should be fifty thousand rupees and not fifty thousand in each case.

Clause 5—Sub-clause (1) seeks to impose certain new duties and to vary certain existing duties. The main changes are,—

(*a*) the duty on betel nuts is being increased from 9½ annas preferential to Re. 1 preferential with corresponding adjustments in the standard rate;

(*b*) increased duties are being imposed on miscellaneous items, such as iron bolts and nuts, electric fans, spectacle frames, and quinine is made dutiable;

(*c*) having released ourselves from GATT in respect of cassia, it will now be assessed in the same manner as other spices;

(*d*) the existing preference in respect of motor cars and parts and motor car batteries of United Kingdom origin is also being removed.

Sub-clause (2) seeks to clarify the legal position in respect of the import duty on cassia. Under Act I of 1949, the import duty on cassia is to hold good until the 31st March, 1954, but the amendment is being brought into force immediately as a matter of convenience.

Clause 6 continues for another year the existing surcharges on customs duties.

Clause 7 seeks to maintain for another year the *status quo* in regard to the commitments under GATT, pending finalisation of the negotiations.

Clause 8 imposes new excise duties on rayon or artificial silk fabrics, cement, soap and footwear and also makes consequential changes in the existing definition of cloth. The existing duties on cotton cloth are also increased.

Clause 9 makes a consequential amendment in the definition of cloth contained in the Khadi and Other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953, and also enables a levy of a cess of 0-0-3 per yard to be made on rayon or artificial silk fabrics.

Clause 10 continues for another year the surcharge on certain excise duties imposed by the Finance Act, 1951.

Clause 11 seeks to bring under the new excise duties rayon or artificial silk fabrics, cement, soap and footwear which may be lying in stock in the manufacturing premises on the 28th February, 1954.

Clause 12 maintains the discontinuance of salt duty for another year.

HOUSE OF THE PEOPLE

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BILL

to give effect to the financial proposals of the Central Government for the financial year 1954-55.

The President has, in pursuance of clauses (1) and (3) of article 117 and clause (1) of article 274 of the Constitution of India, recommended to the House of the People, the introduction and consideration of the Bill.

M. N. KAUL,
Secretary.

(*Shri C. D. Deshmukh,*
Minister of Finance.)

Details of voted and charged amounts included in the demands for grants for the expenditure of the Central Government (excluding Railways) for 1954-55.

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No. of Demand	Service, Administration or Area to which Demand relates	Head of Account	Amount Voted Rs.	(In thousands of rupees) Charged Rs.	Total Rs.
	I. EXPENDITURE MET FROM REVENUE.				
	(I. Ministry of Commerce and Industry).				
1	Ministry of Commerce and Industry.	General Administration	72,21	..	72,21
2	Industries	Industries and Supplies.	14,31,05	..	14,31,05
3	Commercial Intelligence & Statistics.	Miscellaneous Departments.	51,14	..	51,14
4	Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry.	Miscellaneous Departments and Miscellaneous.	43,80	..	43,80
	(II. Ministry of Communications).				
5	Ministry of Communications .	General Administrations.	11,38	..	11,38
6	Indian Posts and Telegraphs Department (including working Expenses).	Posts and Telegraphs	46,51,92	*1,97,72*	48,49,64
7	Meteorology	Scientific Departments	1,14,56	..	1,14,56
8	Overseas Communication Service	Industries & Supplies	94,22	*4,34*	98,56
9	Aviation	Aviation . .	2,53,14	..	2,53,14
10	Miscellaneous Expenditure under the Ministry of Communications.	Miscellaneous. .	25,34	..	25,34
	(III. Ministry of Defence)				
11	Ministry of Defence . .	General Administration.	27,39	..	27,39
12	Defence Services—Effective Army.	Defence Services .	1,59,66,89	..	1,59,66,89
13	Defence Services—Effective Navy.	Defence Services .	12,17,88	..	12,17,88
14	Defence Services—Effective Air Force.	Defence Services .	35,90,45	..	35,90,45
15	Defence Services—Non-effective charges.	Defence Services .	15,71,81	*6*	15,71,87
16	Miscellaneous Expenditure under the Ministry of Defence.	Miscellaneous .	5,64	..	5,64
	(IV. Ministry of Education)				
17	Ministry of Education . .	General Administration.	40,98	..	40,98
18	Archaeology	Scientific Departments	48,79	..	48,79
19	Other Scientific Departments	Scientific Departments	2,18,76	..	2,18,76
20	Education	Education . .	12,14,51	..	12,14,51
21	Miscellaneous Departments and Expenditure under the Ministry of Education.	Miscellaneous Departments and Miscellaneous.	32,91	..	32,91
		TOTAL CARRIED OVER	3,06,84,77	*2,02,12*	3,08,86,89

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No. of Demand	Service, Administration or Area to which Demand relates	Head of Account	Amount (In thousands of rupees) Voted Rs.	Charged Rs.	Total Rs.
	TOTAL BROUGHT FORWARD		3,06,84,77	*2,02,12*	3,08,86,89
	EXPENDITURE MET FROM REVENUE—*contd.*				
	(V. Ministry of External Affairs).				
22	Tribal Areas	Tribal Areas . .	4,36,95	..	4,36,95
23	External Affairs . . .	General Administration. External Affairs	5,85,75	..	5,85,75
24	Chandernagore . . .	Distributed over respective heads of account.	22,00	..	22,00
25	Miscellaneous Expenditure under the Ministry of External Affairs.	Miscellaneous	2,74	..	2,74
	(VI. Ministry of Finance)				
26	Ministry of Finance . .	General Administration.	1,56,21	..	1,56,21
27	Customs	Customs . .	4,19,03	..	4,19,03
28	Union Excise Duties . .	Union Excise Duties	6,85,42	*16,29,03*	23,14,45
29	Taxes on Income including Corporation Tax and Estate Duty.	Corporation Tax, Taxes on Income and Estate Duty	3,72,83	..	3,72,83
30	Opium	Opium . . .	1,95,07	..	1,95,07
31	Stamps	Stamps . . .	1,28,11	*5,59*	1,33,70
32	Payments to other Governments, Departments, etc.	General Administration	11,13	..	11,13
33	Audit	Audit . . .	7,69,99	*15,75*	7,85,74
34	Currency	Currency . .	1,72,79	*4,25*	1,77,04
35	Mint	Mint . .	92,75	..	92,75
36	Territorial and Political Pensions	Territorial and Political Pensions.	21,16	..	21,16
37	Superannuation Allowances and Pensions.	Superannuation Allowances and Pensions.	3,36,96	*8,86*	3,45,82
38	Miscellaneous Departments and Expenditure under the Ministry of Finance.	Miscellaneous Departments & Miscellaneous.	3,49,79	..	3,49,79
39	Grants-in-aid to States . .	Grants-in-aid to States	18,68,90	*13,76,00*	32,44,90
40	Miscellaneous Adjustments between the Union and State Governments.	Miscellaneous Adjustments between the Union and State Governments.	2,76	..	2,76
41	Extraordinary Payments . .	Extraordinary Payments.	23,09,21	..	23,09,21
42	Pre-partition payments . .	Pre-partition Payments.	1,35,73	*27*	1,36,00
	Charged—Interest on Debt and other obligations and reduction or avoidance of Debt.	*Interest on Debt and other obligations and reduction or avoidance of Debt.*	..	*88,72,77*	88,72,77
	TOTAL CARRIED OVER . .		3,97,60,05	*1,21,14,64*	5,18,74,69

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No. of Demand	Service, Administration or Area to which Demand relates	Head of Account	Amount Voted	(In thousands of rupees) Charged	Total
			Rs.	Rs.	Rs.
	TOTAL—BROUGHT FORWARD		3,97,60,05	*1,21,14,64*	5,18,74,69
	I. EXPENDITURE MET FROM REVENUE—*contd.*				
	(VII. Ministry of Food and Agriculture)				
43	Ministry of Food & Agriculture	General Administration.	48,23	..	48,23
44	Forest	Forest . . .	43,28	..	43,28
45	Agriculture	Agriculture .	8,96,94	..	8,96,94
46	Civil Veterinary Services . .	Veterinary . .	39,03	..	39,03
47	Miscellaneous Departments and Expenditure under the Ministry of Food and Agriculture	Miscellaneous Departments and Miscellaneous.	79,13	..	79,13
	(VIII. Ministry of Health)				
48	Ministry of Health . . .	General Administration.	6,96	..	6,96
49	Medical Services . . .	Medical . .	1,51,12	..	1,51,12
50	Public Health .	Public Health .	6,34,01	..	6,34,01
51	Miscellaneous Expenditure under the Ministry of Health.	Miscellaneous .	77,37	..	77,37
	(IX. Ministry of Home Affairs).				
52	Ministry of Home Affairs .	General Administration	1,56,39	..	1,56,39
53	Cabinet	General Administration	25,94	..	25,94
54	Delhi	Land Revenue, General Administration and Police.	1,57,75	..	1,57,75
55	Police	Police . . .	1,03,24	..	1,03,24
56	Census	Miscellaneous Departments.	20,58	..	20,58
57	Miscellaneous Departments and Expenditure under the Ministry of Home Affairs .	Miscellaneous Departments and Misellaneous.	9,50	..	9,50
58	Andaman and Nicobar Islands	Distributed over respective heads of accounts.	1,96,95	..	1,96,95
	(X. Ministry of Information and Broadcasting).				
59	Ministry of Information and Broadcasting	General Administration.	1,38,92	..	1,38,92
60	Broadcasting	Broadcasting . .	2,32,17	..	2,32,17
	(XI. Ministry of Irrigation and Power).				
61	Ministry of Irrigation and Power	General Administration.	10,58	..	10,58
62	Irrigation (including working expenses), Navigation, Embankment and Drainage works met from Revenue.	Works for which Capital accounts are kept. Miscellaneous Irrigation expenditure, Construction of Irrigation, etc. works.	30	..	30
63	Multi-purpose River Schemes	Multi-purpose River Schemes.	41,71	..	41,71
64	Miscellaneous Departments and Expenditure under the Ministry of Irrigation and Power.	Miscellaneous Departments and Miscellaneous.	34,64	..	34,64
	TOTAL CARRIED OVER . .		4,28,64,79	*1,21,14,64*	5,49,79

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No. of Demand	Service. Administration or Area to which Demand relates	Head of Account	Amount Voted	(In thousands of rupees) Charged	Total
			Rs.	Rs.	Rs.
		TOTAL—BROUGHT FORWARD	4,28,64,79	*1,21,14,64*	5,49,79,43
	I.-EXPENDITURE MET FROM REVENUE—*contd.*				
	(XII. Ministry of Labour)				
65	Ministry of Labour . .	General Administration	31,63	..	31,63
66	Chief Inspector of Mines .	Scientific Departments	9,52	..	9,52
67	Miscellaneous Departments and Expenditure under the Ministry of Labour.	Miscellaneous Departments and Miscellaneous.	3,24,95	..	3,24,95
68	Employment Exchanges and resettlement.	Miscellaneous .	1,29,25	..	1,29,25
69	Civil Defence . . .	Civil Defence .	1,20	..	1,20
	(XIII. Ministry of Law)				
70	Ministry of Law . . .	General Administration.	1,35,04	..	1,35,04
71	Admnistration of Justice . .	Administration of Justice.	1,89	*11,13*	13,02
	(XIV. Ministry of Natural Resources and Scientific Research).				
72	Ministry of Natural Resources and Scientific Research	General Administration.	7,98	..	7,98
73	Survey of India	Scientific Departments.	1,43,79	..	1,43,79
74	Botanical Survey . . .	Scientific Departments.	6,93	..	6,93
75	Zoological Survey . . .	Scientific Departments.	4,49	..	4,49
76	Geological Survey . . .	Scientific Departments.	56,57	..	56,57
77	Mines	Scientific Departments.	26,01	..	26,01
78	Scientific Research . . .	Scientific Departments.	3,21,91	..	3,21,91
79	Miscellaneous Departments and Expenditure under the Ministry of Natural Resources and Scientific Research	Miscellaneous Departments and Miscellaneous.	15	..	15
	(XV. Parliamentary Affairs)				
80	Department of Parliamentary Affairs	General Administration.	1,34	..	1,34
	(XVI. Ministry of Production).				
81	Ministry of Production . .	General Administration.	8,41	..	8,41
82	Salt	Industries and Supplies.	1,31,92	*6,25*	1,38,17
83	Other Organisations under the Ministry of Production.	Industries and Supplies.	1,29,90	..	1,29,19
84	Miscellaneous Departments and Expenditure under the Ministry of Production	Miscellaneous Departments and Miscellaneous.	2,02,99	..	2,02,99
	(XVII. Ministry of Rehabilitation.				
85	Ministry of Rehabilitation .	General Administration.	20,10	..	20,10
86	Expenditure on Displaced persons	Miscellaneous	10,23,51	..	10,23,51
87	Miscellaneous Expenditure under the Ministry of Rehabilitation	Miscellaneous .	30	..	30
	(XVIII. Ministry of States).				
88	Ministry of States . . .	General Administration.	11,72	..	11,72
89	Privy Purses and Allowances of Indian Rulers.	Privy Purses, etc.	2,61	*5,40,77*	5,43,38
90	Kutch	Distributed over respective heads of Account.	1,16,97	..	1,16,97
91	Bilaspur.	Distributed over respective heads of Account.	37,80	..	37,80
92	Manipur	Distributed over respective heads of Account.	82,71	..	82,71
93	Tripura	Distributed over respective heads of Account.	1,31,57	*40*	1,31,97
94	Relations with States . .	Distributed over respective heads of Account.	58,20	..	58,20
95	Miscellaneous Expenditure under the Ministry of States.	Miscellaneous .	1,03,48	..	1,03,48
		TOTAL CARRIED OVER	4,61,29,63	1,26,73,19	5,88,02,82

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No. of Demand	Service, Administration of Area of which Demand relates	Head of Account	Amount Voted Rs.	(In thousands of rupees) Charged Rs.	Total R
		TOTAL—BROUGHT FORWARD	4,61,29,63	*1,26,73,19*	5,88,02,82
	I. EXPENDITURE MET FROM REVENUE—*concld.*				
	(XIX. Ministry of Transport)				
96	Ministry of Transport	General Administration.	40,05	..	40,05
97	Ports and Pilotage	Ports and Pilotage	62,39	..	62,39
98	Lighthouses & Lightships	Lighthouses and Lightships.	79,89	..	79,89
99	Central Road Fund	Civil Works	4,62,52	..	4,62,52
100	Communications (including National Highways).	Civil Works	4,88,85	..	4,88,85
101	Miscellaneous Expenditure under the Ministry of Transport.	Miscellaneous	6,57	..	6,57
	(XX. Ministry of Works, Housing and Supply).				
102	Ministry of Works, Housing and Supply.	General Administration.	17,42	..	17,42
103	Supplies	Industries & Supplies	2,97,03	..	2,97,03
104	Other Civil Work	Civil Works	15,27,94	*21,04*	15,48,98
105	Stationery and Printing	Stationery and Printing.	5,27,27	..	5,27,27
106	Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply.	Miscellaneous Departments and Miscellaneous.	55,56	..	55,56
	(XXI. Parliament).				
107	Parliament	General Administration.	1,02,02	*1,41*	1,03,43
108	Miscellaneous Expenditure under the Parliament Secretariat.	Miscellaneous	30	..	30
	(XXII. Secretariat of the President).				
	Charged—Staff, Household and Allowances of the President.	*General Administration.*	.	*16,22*	16,22
	(XXIII. Secretariat of the Vice-President)				
109	Secretariat of the Vice President	General Administration.	83	..	83
	(XXIV. Union Public Service Commission).				
	Charged—Union Public Service Commission.	*General Administration.*	..	*22,22*	22,22
		TOTAL	4,97,98,27	*1,27,34,08*	6,25,32,35(*a*)

(*a*) Expenditure shown in the Budget Statement	5,28,95—
Add.—Draw backs and *ex-gratia* payments of Imports Union Excise Duties.	
I. Customs	58,00
II. Union Excise Duties	1,00,00
Posts and Telegraphs—Working Expenses	42,18,79
Irrigation—Working Expenses	2,35
Electricity Schemes—Working Expenses	6,67
Road Transport Schemes—Working Expenses	8,02
Amount for eliminating recoveries	1,01,46,38
	6,74,35,57
Deduct—Railway Expenditure	—49,03,22
TOTAL	6,25,32,35

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No. of Demand	Service, Administration or Area to which Demand relates	Head of Account	Amount Voted Rs.	(In thousands of rupees) Charged Rs.	Total Rs.
II	EXPENDITURE MET FROM CAPITAL AND DISBURSEMENT OF LOANS AND ADVANCES.				
	(I. Ministry of Commerce and Industry.)				
110	Capital Outlay of the Ministry of Commerce and Industry.	Distributed over respective heads of account.	21,57,03	..	21,57,03
	(II. Ministry of Communication.)				
111	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue).	Capital outlay on Posts and Telegraphs.	16,33,73	..	16,33,73
112	Capital Outlay on Civil Aviation	Capital Outlay on Civil Aviation.	3,40,00	..	3,40,00
113	Other Capital Outlay of the Ministry of Communications.	Distributed over respective heads of account.	7,39,60	..	7,39,60
	(III. Ministry of Defence).				
114	Defence Capital Outlay . .	Defence Capital Outlay.	20,05,00	..	20,05,00
	(IV. Ministry of Finance).				
115	Capital Outlay on the India Security Press.	Capital Outlay on the India Security Press	5,21	..	5,21
116	Capital Outlay on Currency .	Currency Capital Account outside the Revenue Account.	2,71	..	2,71
117	Capital Outlay on Mints . .	Capital Outlay on Mints.	71,73	..	71,73
118	Commuted Value of Pensions .	Payments of Commuted Value of Pension	94,05	..	94,05
119	Payments to Retreched Personnel.	Payments to Reched Personnel.	1,08	..	1,08
120	Other Capital Outlay of the Ministry of Finance	Distributed over respective heads of account.	22,20,23	..	22,20,23
121	Loans and Advances by the Central Government.		34,58,92	*2,14,41,20*	2,49,00,12
	Charged. Repayments of Debt.		..	*17,73,14,64*	17,73,14,64
	(V. Ministry of Food and Agriculture).				
122	Capital Outlay on Forests .	Capital Outlay on Forests.	43,07	..	43,07
123	Purchases of foodgrains . .	Capital Outlay on Schemes of Government Trading.	65,14,00	..	65,14,00
124	Other Capital Outlay of the Ministry of Food & Agriculture.	Capital Outlay on Agricultural Research and Improvements and Schemes of Government Trading.	50,15,64	*9,14*	50,23,78
		TOTAL CARRIED OVER	2,43,01,00	*19,87,64,98*	22,30,65,98

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No. of Demand	Service, Administration or Area to which Demand relates	Head of Account	Amount Voted Rs.	(In thousands of rupees) Charged Rs.	Total Rs.
		TOTAL—BROUGHT FORWARD	2,43,01,00	*19,87,64,98*	22,30,65,98
	II. EXPENDITURE MET FROM CAPITAL AND DISBURSEMENT OF LOANS AND ADVANCES—*contd.*				
	(VI. Ministry of Health)				
125	Capital Outlay of the Ministry of Health	Capital Outlay on Schemes of Government Trading.	6,37,73	..	6,37,73
	(VII.) Ministry of Home Affairs)				
126	Capital Outlay of the Ministry of Home affairs.	Do.	22,97	..	22,97
	(VIII. Ministry of Information and Broaodcasting)				
127	Capital Outlay on Broadcasting	Capital Outlay on Broadcasting.	2,00,00	..	2,00,00
	(IX. Ministry of Irrigation and Power).				
128	Capital Outlay on Multipurpose River Schemes.	Capital Outlay on Multipurpose River Schemes.	3,98,85	..	3,98,85
129	Other Capital Outlay of the Ministry of Irigation and Power	Distributed over the respective heads of account.	5,05	..	5,05
	(X. Ministry of Labour)				
130	Capital Outlay of the Ministry of Labour.	Capital Outlay on Schemes of Government Trading.	2,00	..	2,00
	(XI. Ministry of Natural Resources and Scientific Research)				
131	Capital Outlay of the Ministry of Natural Resources and Scientific Research.	Distributed over respective heads of account.	1,36,13	..	1,36,13
	(XIII Ministry of Production)				
132	Capital Outlay of the Ministry of Production.	Distributed over respective heads of account.	14,50,07	..	14,50,07
	(XIII. Ministry of Rehabilitation)				
133	Capital Outlay of the Ministry of Rehabilitation.	Capital Outlay on Industrial Development.	4,07,50	..	4,07,50
	(XIV. Ministry of States)				
134	Capital Outlay of the Ministry of States.	Distributed over respective heads of account.	7,60,18	..	7,60,18
	(XV. Ministry of Transport)				
135	Capital Outlay on Ports . .	Capital Outlay on Ports	4,80,02	..	4,80,02
136	Capital Outlay on Roads . .	Capital Outlay on Roads.	13,70,80	..	13,70,80
137	Other Capital Outlay of the Ministry of Transport.	Capital Outlay on Schemes Government Trading.	92,50	..	92,50

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No. of Demand	Service, Administration or Area to which Demand relates	Head of Account	Amount Voted Rs.	(In thousands of Rupees) Charged Rs.	Total Rs.
	(XVI. Ministry of Works, Housing and Supply).				
138	New Delhi Capital Outlay .	Initial Expenditure on New Capital at Delhi.	6,62,16	..	6,62,16
139	Capital Outlay on Buildings .	Capital account of Civil Works outside the Revenue account	11,74,64	..	11,74,64
140	Other Capital Outlay of the Ministry of Works, Housing and Supply.	Capital Outlay on Industrial Development and Schemes of Government Trading.	6,07,81	..	6,07,81
	TOTAL—EXPENDITURE MET FROM	CAPITAL ETC. . .	3,27,09,41	*19,87,64,98*	23,14,74,39
		GRAND TOTAL . .	8,25,07,68	*21,14,99,06*	29,40,06,71

THE APPROPRIATION (VOTE ON ACCOUNT) BILL, 1954

(AS INTRODUCED IN THE HOUSE OF THE PEOPLE)

A

BILL

to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the service of a part of the financial year 1954-55.

BE it enacted by Parliament as follows:—

1. Short title.—This Act may be called the Appropriation (Vote on Account) Act, 1954.

2. Withdrawal of Rs. 2,62,80,85,000 from and out of the Consolidated Fund of India for the financial year 1954-55.—From and out of the Consolidated Fund of India there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of two hundred and sixty two crores, eighty lakhs and eighty-five thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1954-55.

3. Appropriaion.—The sums authorised to be withdrawn from and out of the Consolidated Fund by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE.

(*See* sections 2 and 3)

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry	6,02,000	..	6,02,000
2	Industries	1,19,25,000	..	1,19,25,000
3	Commercial Intelligence and Statistics	4,26,000	..	4,26,000
4	Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry	3,65,000	..	3,65,000
5	Ministry of Communications .	95,000	..	95,000
6	Indian Posts and Telegraphs Department (including Working Expenses) . . .	3,87,66,000	*16,48,000*	4,04,14,000
7	Meteorology . . .	9,55,000	..	9,55,000
8	Overseas Communication Service	7,85,000	*36,000*	8,21,000
9	Aviation	21,10,000	..	21,10,000
10	Miscellaneous Departments and Expenditure under the Ministry of Communications .	2,11,000	..	2,11,000
11	Ministry of Defence . .	2,28,000	..	2,28,000
12	Defence Services Effective Army	13,30,57,000	..	13,30,57,000
13	Defence Services Effective Navy	1,01,49,000	..	1,01,49,000
14	Defence Services Effective Air Force	2,99,20,000	..	2,99,20,000
15	Defence Services—Non-Effective Charges . . .	1,30,98,000	..	1,30,98,000
16	Miscellaneous Expenditure under the Ministry of Defence	47,000	..	47,000
17	Ministry of Education . .	3,42,000	..	3,42,000
18	Archæology . . .	4,07,000	..	4,07,000
19	Other Scientific Departments .	18,23,000	..	18,23,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
20	Education	1,01,21,000	..	1,01,21,000
21	Miscellaneous Departments and Expenditure under the Ministry of Education	2,74,000	..	2,74,000
22	Tribal Areas	36,41,000	..	36,41,000
23	External Affairs	48,81,000	..	48,81,000
24	Chandernagore	1,83,000	..	1,83,000
25	Miscellaneous Expenditure under the Ministry of External Affairs	23,000	..	23,000
26	Ministry of Finance	13,02,000	..	13,02,000
27	Customs	34,92,000	..	34,92,000
28	Union Excise Duties	57,12,000	*1,35,75,000*	1,92,87,000
29	Taxes on Income including Corporation Tax and Estate Duty	31,07,000	..	31,07,000
30	Opium	1,60,94,000	..	1,60,94,000
31	Stamps	10,68,000	*47,000*	11,15,000
32	Payments to other Governments Departments etc. ...	93,000	..	93,000
33	Audit	64,17,000	*1,31,000*	65,48,000
34	Currency	14,40,000	*35,000*	14,75,000
35	Mint	7,73,000	..	7,73,000
36	Territorial and Political Pension	1,76,000	..	1,76,000
37	Superannuation Allowances and Pensions	56,16,000	*1,48,000*	57,64,000
38	Miscellaneous Departments and Expenditure under the Ministry of Finance	29,15,000	..	29,15,000
39	Grants-in-aid to States	4,67,23,000	*3,44,00,000*	8,11,23,000
40	Miscellaneous adjustments between the Union and State Governments	23,000	..	23,000
41	Extraordinary Payments	1,92,43,000	..	1,92,43,000
42	Pre-partition Payments	11,31,000	*2,000*	11,33,000

1		3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
	Interest on Debt, etc.	..	*7,39,40,000*	*7,39,40,000*
43	Ministry of Food and Agriculture	4,02,000	..	4,02,000
44	Forest	3,61,000	..	3,61,000
45	Agriculture	74,75,000	..	74,75,000
46	Civil Veterinary Services	3,25,000	..	3,25,000
47	Miscellaneous Departments and Expenditure under the Ministry of Food and Agriculture	6,59,000	..	6,59,000
48	Ministry of Health	58,000	..	58,000
49	Medical Services	12,59,000	..	12,59,000
50	Public Health	56,45,000	..	56,45,000
51	MiscellaneousExpenditure under the Ministry of Health	6,45,000	..	6,45,000
52	Ministry of Home Affairs	13,03,000	..	13,03,000
53	Cabinet	2,16,000	..	2,16,000
54	Delhi	13,15,000	..	13,15,000
55	Police	8,60,000	..	8,60,000
56	Census	1,72,000	..	1,72,000
57	Miscellaneous Departments and Expenditure under the Ministry of Home Affairs	79,000	..	79,000
58	Andaman and Nicobar Islands	16,41,000	..	16,41,000
59	Ministry of Information and Broadcasting	11,58,000	..	11,58,000
60	Broadcasting	19,35,000	..	19,35,000
61	Ministry of Irrigation and Power	88,000	..	88,000
62	Irrigation, etc.	3,000	..	3,000
63	Multipurposes River Schemes	3,48,000	..	3,48,000
64	Miscellaneous Departments and Expenditure under the Ministry of Irrigation and Power	2,89,000	..	2,89,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
65	Ministry of Labour . .	2,64,000	..	2,64,000
66	Chief Inspector of Mines .	79,000	..	79,000
67	Miscellaneous Departments and Expenditure under the Ministry of Labour . .	27,08,000	..	27,08,000
68	Employment Exchanges and Resettlement . . .	10,77,000	..	10,77,000
69	Civil Defence . . .	10,000	..	10,000
70	Ministry of Law . . .	11,25,000	..	11,25,000
71	Administration of Justice .	16,000	93,000	1,09,000
72	Ministry of Natural Resources and Scientific Research .	67,000	..	67,000
73	Survery of India . . .	11,98,000	..	11,98,000
74	Botanical Survey . .	58,000	..	58,000
75	Zoological Survey . .	37,000	..	37,000
76	Geological Survey . .	4,71,000	..	4,71,000
77	Mines	2,17,000	..	2,17,000
78	Scientific Research . .	26,83,000	..	26,83,000
79	Miscellaneous Departments and Expenditure under the Ministry of Natural Resources and Scientific Research . .	1,000	..	1,000
80	Department of Parliamentary Affairs	11,000	..	11,000
81	Ministry of Production . .	70,000	..	70,000
82	Salt	10,99,000	52,000	11,51,000
83	Other Organisations under the Ministry of Production .	10,83,000	..	10,83,000
84	Miscellaneous Departments and Expenditure under the Ministry of Production . .	16,92,000	..	16,92,000
8	Ministry of Rehabilitation .	1,68,000	..	1,68,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
86	Expenditure on Displaced Persons	85,29,000	..	85,29,000
87	Miscellaneous Expenditure under the Ministry of Rehabilitation	3,000	..	3,000
88	Ministry of States . .	98,000	..	98,000
89	Privy Purses and Allowances of Indian Rulers . .	65,000	*1,35,19,000*	1,35,84,000
90	Kutch	9,75,000	..	9,75,000
91	Bilaspur	3,15,000	..	3,15,000
92	Manipur	6 ,89,000	..	6,89,000
93	Tripura	10,96,000	*3,000*	10,99,000
94	Relation with States . .	4,85,000	..	4,85,000
95	Miscellaneous Expenditure under the Ministry of States	8,62,000	..	8,62,000
96	Ministry of Transport . .	3,34,000	..	3,34,000
97	Ports and Pilotage . . .	5,20,000	..	5,20,000
98	Lighthouses and Lightships .	6,66,000	..	6,66,000
99	Central Road Fund . .	38,54,000	..	38,54,000
100	Communications (including National Highways) . .	40,74,000	..	40,74,000
101	Miscellaneous Expenditure under the Ministry of Transport	55,000	..	55,000
102	Ministry of Works, Housing and Supply . . .	1,45,000	..	1,45,000
103	Supplies	24,75,000	..	24,75,000
104	Other Civil Works . .	1,27,33,000	*1,75,000*	1,29,08,000
10	Stationery and Printing .	43,94,000	..	43,94,000
106	Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply.	4,63,000	..	4,63,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
107	Parliament	12,75,000	*18,000*	12,93,000
108	Miscellaneous Expenditure under the Parliament Secretariat	3,000	..	3,000
	Charged—Staff, Household and Allowances of the President .	..	*1,35,000*	1,35,000
109	Secretariat of the Vice-President	7,000	..	7,000
	Charged—Union Public Service Commission	..	*1,85,000*	1,85,000
110	Capital Outlay of the Ministry of Commerce and Industry	1,79,75,000	..	1,79,75,000
111	Capital Outlay on Indian Posts and Telegraphs (Not met from Revenue) . . .	1,36,14,000	..	1,36,14,000
112	Capital Outlay on Civil Aviation	28,33,000	..	28,33,000
113	Other Capital Outlay of the Ministry of Communications	61,64,000	..	61,64,000
114	Defence Capital Outlay . .	1,67,08,000	..	1,67,08,000
115	Capital Outlay on the Indian Security Press . . .	43,000	..	43,000
116	Capital Outlay on Currency .	23,000	..	23,000
117	Capital Outlay on Mints .	5,98,000	..	5,98,000
118	Commuted Value of Pensions	7,84,000	..	7,84,000
119	Payments to Retrenched Personnel	9,000	..	9,000
120	Other Capital Outlay of the Ministry of Finance . .	1,85,02,000	..	1,85,02,000
121	Loans and Advances by the Central Government . .	2,88,24,000	*17,86,77,000*	20,75,01,000
	Charged—Repayment of Debt. .	..	*1,47,76,22,000*	1,47,76,22,000
122	Capital Outlay on Forests .	3,59,000	..	3,59,000
123	Purchases of Foodgrains .	12,54,00,000	..	12,54,00,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
124	Other Capital Outlay of the Ministry of Food and Agriculture	6,74,17,000	*76,000*	6,74,93,000
125	Capital Outlay of the Ministry of Health	53,15,000	..	53,15,000
126	Capital Outlay of the Ministry of Home Affairs . .	1,91,000	..	1,91,000
127	Capital Outlay on Broadcasting	16,67,000	..	16,67,000
128	Capital Outlay on Multipurpose River Schemes . . .	33,24,000	..	33,24,000
129	Other Capital Outlay of the Ministry of Irrigation and Power	42,000	..	42,000
130	Capital Outlay of the Ministry of Labour . . .	17,000	..	17,000
131	Other Capital Outlay of the Ministry of Natural Resources and Scientific Research .	11,34,000	..	11,34,000
132	Capital Outlay of the Ministry of production . . .	1,20,84,000	..	1,20,84,000
133	Capital Outlay of the Ministry of Rehabilitation . .	33,96,000	..	33,96,000
134	Capital Outlay of the Ministry of States	63,35,000	..	63,35,000
135	Capital Outlay on Ports . .	40,00,000	..	40,00,000
136	Capital Outlay on Roads .	1,14,23,000	..	1,14,23,000
137	Other Capital Outlay of the Ministry of Transport .	7,71,000	..	7,71,000
138	New Delhi Capital Outlay .	55,18,000	..	55,18,000
139	Capital Outlay on Buildings .	97,89,000	..	97,89,000
140	Other Capital Outlay of the Ministry of Works, Housing and Supply. . . .	50,65,000	..	50,65,000
	TOTAL . .	83,35,68,000	*1,79,45,17,000*	2,62,80,85,000

STATEMENT OF OBJECTS AND REASONS

This Bill is introduced in pursuance of article 114(1) of the Constitution of India, read with article 116 thereof, to provide for the appropriation out of the Consolidated Fund of India of the moneys required to meet the expenditure charged on the Consolidated Fund and the grants made in advance by the House of the People in respect of the estimated expenditure of the Central Government, excluding Railways, for a part of the financial year 1954-55.

C. D. DESHMUKH.

NEW DELHI,

The 6*th March*, 1954.

HOUSE OF THE PEOPLE

A

BILL

to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the service of a part of the financial year 1954-55.

The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, recommended to the House of the People the introduction and consideration of the Bill.

M. N. KAUL,
Secretary.

(*Shri Chintaman D. Deshmukh, Minister for Finance*).

THE APPROPRIATION (VOTE ON ACCOUNT) BILL, 1954

[AS PASSED BY THE HOUSES OF PARLIAMENT]

A
BILL

An Act to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the service of a part of the financial year 1954-55.

BE it enacted by Parliament as follows :—

1. **Short title.**—This Act may be called the Appropriation (Vote on Account) Act, 1954.

2. **Withdrawal of Rs. 2,62,80,85,000 from and out of the Consolidated Fund of India for the financial year 1954-55.**—From and out of the Consolidated Fund of India there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of two hundred and sixty-two crores, eighty lakhs and eighty-five thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1954-55.

3. **Appropriation.**—The sums authorised to be withdrawn from and out of the Consolidated Fund by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry	6,02,000	..	6,02,000
2	Industries	1,19,25,000	..	1,19,25,000
3	Commercial Intelligence and Statistics	4,26,000	..	4,26,000
4	Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry	3,65,000	..	3,65,000
5	Ministry of Communications .	95,000	..	95,000
6	Indian Posts and Telegraphs Department (including Working Expenses) . . .	3,87,66,000	*16,48,000*	4,04,14,000
7	Meteorology	9,55,000	..	9,55,000
8	Overseas Communication Service	7,85,000	*36,000*	8,21,000
9	Aviation	21,10,000	..	21,10,000
10	Miscellaneous Departments and Expenditure under the Ministry of Communications .	2,11,000	..	2,11,000
11	Ministry of Defence . .	2,28,000	..	2,28,000
12	Defence Services—Effective—Army	13,30,57,000	..	13,30,57,000
13	Defence Services—Effective—Navy	1,01,49,000	..	1,01,49,000
14	Defence Services—Effective—Air Force	2,99,20,000	..	2,99,20,000
15	Defence Services—Non-Effective Charges . . .	1,30,98,000	..	1,30,98,000
16	Miscellaneous Expenditure under the Ministry of Defence	47,000	..	47,000
17	Ministry of Education . .	3,42,000	..	3,42,000
18	Archæology . . .	4,07,000	..	4,07,000
19	Other Scientific Departments ..	18,23,000	..	18,23,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
20	Education	1,01,21,000	..	1,01,21,000
21	Miscellaneous Departments and Expenditure under the Ministry of Education. .	2,74,000	..	2,74,000
22	Tribal Areas . . .	36,41,000	..	36,41,000
23	External Affairs . . .	48,81,000	..	48,81,000
24	Chandernagore . . .	1,83,000	..	1,83,000
25	Miscellaneous Expenditure under the Ministry of External Affairs	23,000	..	23,000
26	Ministry of Finance . .	13,02,000	..	13,02,000
27	Customs	34,92,000	..	34,92,000
28	Union Excise Duties . .	57,12,000	*1,35,75,000*	1,92,87,000
29	Taxes on Income including Corporation Tax and Estate Duty	31,07,000	..	31,07,000
30	Opium	1,60,94,000	..	1,60,94,000
31	Stamps	10,68,000	*47,000*	11,15,000
32	Payments to other Governments, Departments, etc. . .	93,000	..	93,000
33	Audit . : . .	64,17,000	*1,31,000*	65,48,000
34	Currency	14,40,000	*35,000*	14,75,000
35	Mint	7,73,000	..	7,73,000
36	Territorial and Political Pensions	1,76,000	..	1,76,000
37	Superannuation Allowances and Pensions	56,16,000	*1,48,000*	57,64,000
38	Miscellaneous Departments and Expenditure under the Ministry of Finance . .	29,15,000	..	29,15,000
39	Grants-in-aid to States . .	4,67,23,000	*3,44,00,000*	8,11,23,000
40	Miscellaneous adjustments between the Union and State Governments . . .	23,000	..	23,000
41	Extraordinary Payments . .	1,92,43,000	..	1,92,43,000
42	Pre-partition Payments . .	11,31,000	*2,000*	11,33,00

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
	Interest on Debt, etc.	..	*7,39,40,000*	7,39,40,000
43	Ministry of Food and Agriculture	4,02,000	..	4,02,000
44	Forest	3,61,000	..	3,61,000
45	Agriculture	74,75,000	..	74,75,000
46	Civil Veterinary Services	3,25,000	..	3,25,000
47	Miscellaneous Departments and Expenditure under the Ministry of Food and Agriculture	6,59,000	..	6,59,000
48	Ministry of Health	58,000	..	58,000
49	Medical Services	12,59,000	..	12,59,000
50	Public Health	56,45,000	..	56,45,000
51	Miscellaneous Expenditure under the Ministry of Health	6,45,000	..	6,45,000
52	Ministry of Home Affairs	13,03,000	..	13,03,000
53	Cabinet	2,16,000	..	2,16,000
54	Delhi	13,15,000	..	13,15,000
55	Police	8,60,000	..	8,60,000
56	Census	1,72,000	..	1,72,000
57	Miscellaneous Departments and Expenditure under the Ministry of Home Affairs	79,000	..	79,000
58	Andaman and Nicobar Islands	16,41,000	..	16,41,000
59	Ministry of Information and Broadcasting	11,58,000	..	11,58,000
60	Broadcasting	19,35,000	..	19,35,000
61	Ministry of Irrigation and Power	88,000	..	88,000
62	Irrigation, etc.	3,000	..	3,000
63	Multipurpose River Schemes	3,48,000	..	3,48,000
64	Miscellaneous Departments and Expenditure under the Ministry of Irrigation and Power	2,89,000	..	2,89,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
65	Ministry of Labour . .	2,64,000	..	2,64,000
66	Chief Inspector of Mines .	79,000	..	79,000
67	Miscellaneous Departments and Expenditure under the Ministry of Labour . . .	27,08,000	..	27,08,000
68	Employment Exchanges and Resettlement . . .	10,77,000	..	10,77,000
69	Civil Defence . . .	10,000	..	10,000
70	Ministry of Law . . .	11,25,000	..	11,25,000
71	Administration of Justice .	16,000	*93,000*	1,09,000
72	Ministry of Natural Resources and Scientific Research. .	67,000	..	67,000
73	Survey of India . . .	11,98,000	..	11,98,000
74	Botanical Survey . . .	58,000	..	58,000
75	Zoological Survey . . .	37,000	..	37,000
76	Geological Survey . . .	4,71,000	..	4,71,000
77	Mines	2,17,000		2,17,000
78	Scientific Research . . .	26,83,000	..	26,83,000
79	Miscellaneous Departments and Expenditure under the Ministry of Natural Resources and Scientific Research . .	1,000	..	1,000
80	Department of Parliamentary Affairs	11,000	..	11,000
81	Ministry of Production . .	70,000	..	70,000
82	Salt	10,99,000	*52,000*	11,51,000
83	Other Organisations under the Ministry of Production .	10,83,000	..	10,83,000
84	Miscellaneous Departments and Expenditure under the Ministry of Production . .	16,92,000	..	16,92,000
85	Ministry of Rehabilitation .	1,68,000	..	1,68,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
86	Expenditure on Displaced Persons	85,29,000	..	85,29,000
87	Miscellaneous Expenditure under the Ministry of Rehabilitation	3,000	..	3,000
88	Ministry of States . . .	98,000	..	98,000
89	Privy Purses and Allowances of Indian Rulers . . .	65,000	*1,35,19,000*	1,35,84,000
90	Kutch	9,75,000	..	9,75,000
91	Bilaspur	3,15,000	..	3,15,000
92	Manipur	6,89,000	..	6,89,000
93	Tripura	10,96,000	*3,000*	10,99,000
94	Relation with States . .	4,85,000	..	4,85,000
95	Miscellaneous Expenditure under the Ministry of States .	8,62,000	..	8,62,000
96	Ministry of Transport . .	3,34,000	..	3,34,000
97	Ports and Pilotage . . .	5,20,000	..	5,20,000
98	Lighthouses and Lightships .	6,66,000	..	6,66,000
99	Central Road Fund . .	38,54,000	..	38,54,000
100	Communications (including National Highways) . .	40,74,000	..	40,74,000
101	Miscellaneous Expenditure under the Ministry of Transport	55,000	..	55,000
102	Ministry of Works, Housing and Supply . . .	1,45,000	..	1,45,000
103	Supplies	24,75,000	..	24,75,000
104	Other Civil Works . . .	1,27,33,000	*1,75,000*	1,29,08,000
105	Stationery and Printing . .	43,94,000	..	43,94,000
106	Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply	4,63,000	..	4,63,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
107	Parliament	12,75,000	*18,000*	12,93,000
108	Miscellaneous Expenditure under the Parliament Secretariat	3,000	..	3,000
	Charged—Staff, Household and Allowances of the President .	.	*1,35,000*	1,35,000
109	Secretariat of the Vice-President	7,000	..	7,000
	Charged—Union Public Service Commission . . .	..	*1,85,000*	1,85,000
110	Capital Outlay of the Ministry of Commerce and Industry .	1,79,75,000	..	1,79,75,000
111	Capital Outlay on Indian Posts and Telegraphs (Not met from Revenue) . . .	1,36,14,000	..	1,36,14,000
112	Capital Outlay on Civil Aviation	28,33,000	..	28,33,000
113	Other Capital Outlay of the Ministry of Communications	61,64,000	..	61,64,000
114	Defence Capital Outlay . .	1,67,08,000	..	1,67,08,000
115	Capital Outlay on the Indian Security Press . . .	43,000	..	43,000
116	Capital Outlay on Currency .	23,000	..	23,000
117	Capital Outlay on Mints . .	5,98,000	..	5,98,000
118	Commuted Value of Pensions .	7,84,000	..	7,84,000
119	Payments to Retrenched Personnel	9,000	..	9,000
120	Other Capital Outlay of the Ministry of Finance . .	1,85,02,000	..	1,85,02,000
121	Loans and Advances by the Central Government . .	2,88,24,000	*17,86,77,000*	20,75,01,000
	Charged—Repayment of Debt .	..	*1,47,76,22,000*	1,47,76,22,000
122	Capital Outlay on Forests .	3,59,000	..	3,59,000
123	Purchases of Foodgrains . .	12,54,00,000	..	12,54,00,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
124	Other Capital Outlay of the Ministry of Food and Agriculture	6,74,17,000	76,000	6,74,93,000
125	Capital Outlay of the Ministry of Health	53,15,000	..	53,15,000
126	Capital Outlay of the Ministry of Home Affairs . . .	1,91,000	..	1,91,000
127	Capital Outlay on Broadcasting	16,67,000	..	16,67,000
128	Capital Outlay on Multipurpose River Schemes . . .	33,24,000	..	33,24,000
129	Other Capital Outlay of the Ministry of Irrigation and Power	42,000	..	42,000
130	Capital Outlay of the Ministry of Labour	17,000	..	17,000
131	Other Capital Outlay of the Ministry of Natural Resources and Scientific Research	11,34,000	..	11,34,000
132	Capital Outlay of the Ministry of Production . . .	1,20,84,000	..	1,20,84,000
133	Capital Outlay of the Ministry of Rehabilitation . . .	33,96,000	..	33,96,000
134	Capital Outlay of the Ministry of States	63,35,000	..	63,35,000
135	Capital Outlay on Ports . .	40,00,000	..	40,00,000
136	Capital Outlay on Roads]. .	1,14,23,000	..	1,14,23,00C
137	Other Capital Outlay of the Ministry of Transport . .	7,71,000	..	7,71,00

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
138	New Delhi Capital Outlay .	55,18,000	..	55,18,000
139	Capital Outlay on Buildings	97,89,000	..	97,89,000
140	Other Capital Outlay of the Ministry of Works, Housing and Supply . . .	50,65,000	..	50,65,000
	TOTAL .	83,35,68,000	179,45,17,000	262,80,85,000

A

BILL

to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the service of a part of the financial year 1954-55.

(As passed by the Houses of Parliament)

THE APPROPRIATION BILL, 1954

AS INTRODUCED

A

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1954-55.

BE it enacted by Parliament as follows:—

1. Short title.—This Act may be called the Appropriation (No. 2) Act, 1954.

2. Issue of Rs. 29,40,06,74,000 out of the Consolidated Fund of India for the year 1954-55.—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate [inclusive of the sums specified in column 3 of the Schedule to the Appropriation (Vote on Account) Act, 1954 (8 of 1954)] to the sums of two thousand nine hundred and forty crores, six lakhs and seventy-four thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1954-55 in respect of the services specified in column 2 of the Schedule.

3. Appropriation.—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry	72,21,000	..	72,21,000
2	Industries	14,31,05,000	..	14,31,05,000
3	Commercial Intelligence and Statistics	51,14,000	..	51,14,000
4	Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry	43,80,000	..	43,80,000
5	Ministry of Communications .	11,38,000	..	11,38,000
6	Indian Posts and Telegraphs Department (including working expenses)	46,51,92,000	*1,97,72,000*	48,49,64,000
7	Meteorology	1,14,56,000	..	1,14,56,000
8	Overseas Communication Service	94,22,000	*4,34,000*	98,56,000
9	Aviation	2,53,14,000	..	2,53,14,000
10	Miscellaneous Expenditure under the Ministry of Communications . . .	25,34,000	..	25,34,000
11	Ministry of Defence . .	27,39,000	..	27,39,000
12	Defence Services—Effective—Army	1,59,66,89,000	..	1,59,66,89,000
13	Defence Services—Effective—Navy	12,17,88,000	..	12,17,88,000
14	Defence Services—Effective—Air Force	35,90,45,000	..	35,90,45,000
15	Defence Services—Non-effective Charges	15,71,81,000	*6,000*	15,71,87,000
16	Miscellaneous Expenditure under the Ministry of Defence	5,64,000	..	5,64,000
17	Ministry of Education . .	40,98,000	..	40,98,000
18	Archæology	48,79,000		48,79,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
19	Other Scientific Departments	2,18,76,000	..	2,18,76,000
20	Education	12,14,51,000	..	12,14,51,000
21	Miscellaneous Departments and Expenditure under the Ministry of Education .	32,91,000	..	32,91,000
22	Tribal Areas . . .	4,36,95,000	..	4,36,95,000
23	External Affairs . . .	5,85,75,000	..	5,85,75,000
24	Chandernagore . . .	22,00,000	..	22,00,000
25	Miscellaneous Expenditure under the Ministry of External Affairs . . .	2,74,000	..	2,74,000
26	Ministry of Finance . .	1,56,21,000	..	1,56,21,000
27	Customs	4,19,03,000	..	4,19,03,000
28	Union Excise Duties . .	6,85,42,000	*16,29,03,000*	23,14,45,000
29	Taxes on Income including Corporation Tax and Estate Duty	3,72,83,000	..	3,72,83,000
30	Opium	1,95,07,000	..	1,95,07,000
31	Stamps	1,28,11,000	*5,59,000*	1,33,70,000
32	Payments to other Governments, Departments, etc. .	11,13,000	..	11,13,000
33	Audit	7,69,99,000	*15,75,000*	7,85,74,000
34	Currency	1,72,79,000	*4,25,000*	1,77,04,000
35	Mint	92,75,000	..	92,75,000
36	Territorial and Political Pensions	21,16,000	..	21,16,000
37	Superannuation Allowances and Pensions . . .	3,36,96,000	*8,86,000*	3,45,82,000
38	Miscellaneous Departments and Expenditure under the Ministry of Finance . .	3,49,79,000	..	3,49,79,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
39	Grants-in-aid to States . .	18,68,90,000	*13,76,00,000*	32,44,90,000
40	Miscellaneous Adjustments between the Union and State Governments . .	2,76,000	..	2,76,000
41	Extraordinary Payments . .	23,09,21,000	..	23,09,21,000
42	Pre-partition payments . .	1,35,73,000	*27,000*	1,36,00,000
	Charged.—Interest on Debt and other Obligations and reduction or avoidance of Debt	..	*88,72,77,000*	88,72,77,000
43	Ministry of Food and Agriculture	48,23,000	..	48,23,000
44	Forest	43,28,000	..	43,28,000
45	Agriculture	8,96,94,000	..	8,96,94,000
46	Civil Veterinary Services . .	39,03,000	..	39,03,000
47	Miscellaneous Departments and Expenditure under the Ministry of Food and Agriculture	79,13,000	..	79,13,000
48	Ministry of Health . . .	6,96,000	..	6,96,000
49	Medical Services . . .	1,51,12,000	..	1,51,12,000
50	Public Health	6,34,01,000	..	6,34,01,000
51	Miscellaneous Expenditure under the Ministry of Health	77,37,000	..	77,37,000
52	Ministry of Home Affairs .	1,56,39,000	..	1,56,39,000
53	Cabinet	25,94,000	..	25,94,000
54	Delhi	1,57,75,000	..	1,57,75,000
55	Police	1,03,24,000	..	1,03,24,000
56	Census	20,58,000	..	20,58,000
57	Miscellaneous Departments and Expenditure under the Ministry of Home Affairs .	9,50,000	..	9,50,000
58	Andaman and Nicobar Islands .	1,96,95,000	..	1,96,95,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
59	Ministry of Information and Broadcasting . . .	1,38,92,000	..	1,38,92,000
60	Broadcasting . . .	2,32,17,000	..	2,32,17,000
61	Ministry of Irrigation and Power	10,58,000	..	10,58,000
62	Irrigation (including working expenses), Navigation, Embankment and Drainage Works met from Revenue .	30,000	..	30,000
63	Multi-purpose River Schemes .	41,71,000	..	41,71,000
64	Miscellaneous Departments and Expenditure under the Ministry of Irrigation and Power	34,64,000	..	34,64,000
65	Ministry of Labour . .	31,63,000	..	31,63,000
66	Chief Inspector of Mines . .	9,52,000	..	9,52,000
67	Miscellaneous Departments and Expenditure under the Ministry of Labour . .	3,24,95,000	..	3,24,95,000
68	Employment Exchanges and Resettlement . . .	1,29,25,000	..	1,29,25,000
69	Civil Defence . . .	1,20,000	..	1,20,000
70	Ministry of Law . .	1,35,04,000	..	1,35,04,000
71	Administration of Justice . .	1,89,000	*11,13,000*	13,02,000
72	Ministry of Natural Resources and Scientific Research .	7,98,000	..	7,98,000
73	Survey of India . . .	1,43,79,000	..	1,43,79,000
74	Botanical Survey . . .	6,93,000	..	6,93,000
75	Zoological Survey . . .	4,49,000	..	4,49,000
76	Geological Survey . . .	56,57,000	..	56,57,000
77	Mines	26,01,000	..	26,01,000
78	Scientific Research . . .	3,21,91,000	..	3,21,91,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
79	Miscellaneous Departments and Expenditure under the Ministry of Natural Resources and Scientific Research	15,000	..	15,000
80	Department of Parliamentary Affairs	1,34,000	..	1,34,000
81	Ministry of Production . .	8,41,000	..	8,41,000
82	Salt	1,31,92,000	*6,25,000*	1,38,17,000
83	Other organisations under the Ministry of Production .	1,29,90,000	..	1,29,90,000
84	Miscellaneous Departments and Expenditure under the Ministry of Production .	2,02,99,000	..	2,02,99,000
85	Ministry of Rehabilitation .	20,10,000	..	20,10,000
86	Expenditure on Displaced persons	10,23,51,000	..	10,23,51,000
87	Miscellaneous Expenditure under the Ministry of Rehabilitation . . .	30,000	..	30,000
88	Ministry of States . .	11,72,000	..	11,72,000
89	Privy Purses and Allowances of Indian Rulers . . .	2,61,000	*5,40,77,000*	5,43,38,000
90	Kutch	1,16,97,000	..	1,16,97,000
91	Bilaspur	37,80,000	..	37,80,000
92	Manipur	82,71,000	..	82,71,000
93	Tripura	1,31,57,000	*40,000*	1,31,97,000
94	Relations with States . .	58,20,000	..	58,20,000
95	Miscellaneous Expenditure under the Ministry of States	1,03,48,000	..	1,03,48,000
96	Ministry of Transport . .	40,05,000	..	40,05,000
97	Ports and Pilotage . .	62,39,000	..	62,39,000
98	Lighthouses and Lightships .	79,89,000	..	79,89,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
99	Central Road Fund . .	4,62,52,000	..	4,62,52,000
100	Communications (including National Highways) . .	4,88,85,000	..	4,88,85,000
101	Miscellaneous expenditure under the Ministry of Transport .	6,57,000	..	6,57,000
102	Ministry of Works, Housing and Supply	17,42,000	..	17,42,000
103	Supplies	2,97,03,000	..	2,97,03,000
104	Other Civil Works . . .	15,27,94,000	*21,04,000*	15,48,98,000
105	Stationery and Printing . .	5,27,27,000	..	5,27,27,000
106	Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply . . .	55,56,000	..	55,56,000
107	Parliament	1,02,02,000	*1,41,000*	1,03,43,000
108	Miscellaneous Expenditure under the Parliament Secretariat	30,000	..	30,000
	Charged.—Staff, Household and Allowances of the President	..	*16,22,000*	16,22,000
109	Secretariat of the Vice-President	83,000	..	83,000
	Charged.—Union Public Service Commission . .	..	*22,22,000*	22,22,000
110	Capital Outlay of the Ministry of Commerce and Industry	21,57,03,000	..	21,57,03,000
111	Capital Outlay on Indian Posts and Telegraphs (Not met from Revenue) . . .	16,33,73,000	..	16,33,73,000
112	Capital Outlay on Civil Aviation	3,40,00,000	..	3,40,00,000
113	Other Capital Outlay of the Ministry of Communications.	7,39,60,000	..	7,39,60,000
114	Defence Capital Outlay . .	20,05,00,000	..	20,05,00,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
115	Capital Outlay on the India Security Press	5,21,000	..	5,21,000
116	Capital Outlay on Currency	2,71,000	..	2,71,000
117	Capital Outlay on Mints	71,73,000	..	71,73,000
118	Commuted Value of Pensions	94,05,000	..	94,05,000
119	Payments to Retrenched Personnel.	1,08,000	..	1,08,000
120	Other Capital Outlay of the Ministry of Finance	22,20,23,000	..	22,20,23,000
121	Loans and Advances by the Central Government	34,58,92,000	*2,14,41,20,000*	2,49,00,12,000
	Charged.—Repayment of Debt	..	*17,73,14,64,000*	17,73,14,64,000
122	Capital Outlay on Forest.	43,07,000	..	43,07,000
123	Purchases of foodgrains	65,14,00,000	..	65,14,00,000
124	Other Capital Outlay of the Ministry of Food and Agriculture.	50,14,64,000	*9,14,000*	50,23,78,000
125	Capital Outlay of the Ministry of Health	6,37,73,000	..	6,37,73,000
126	Capital Outlay of the Ministry of Home Affairs.	22,97,000	..	22,97,000
127	Capital Outlay on Broadcasting	2,00,00,000	..	2,00,00,000
128	Capital Outlay on Multipurpose River Schemes.	3,98,85,000	..	3,98,85,000
129	Other Capital Outlay of the Ministry of Irrigation and Power	5,05,000	..	5,05,000
130	Capital Outlay of the Ministry of Labour	2,00,000	..	2,00,000
131	Capital Outlay of the Ministry of Natural Resources and Scientific Research.	1,36,13,000	..	1,36,13,000
132	Capital Outlay of the Ministry of Production	14,50,07,000	..	14,50,07,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs
133	Capital Outlay of the Ministry of Rehabilitation . .	4,07,50,000	..	4,07,50,000
134	Capital Outlay of the Ministry of States	7,60,18,000	..	7,60,18,000
135	Capital Outlay on Ports . .	4,80,02,000	..	4,80,02,000
136	Capital Outlay on Roads . .	13,70,80,000	..	13,70,80,000
137	Other Capital Outlay of the Ministry of Transport . .	92,50,000	..	92,50,000
138	New Delhi Capital Outlay .	6,62,16,000	..	6,62,16,000
139	Capital Outlay on Buildings .	11,74,64,000	..	11,74,64,000
140	Other Capital Outlay of the Ministry of Works, Housing and Supply . . .	6,07,81,000	..	6,07,81,000
	GRAND TOTAL .	8,25,07,68,000	*21,14,99,06,000*	29,40,06,74,000

STATEMENT OF SUBJECTS AND REASONS

This Bill is introduced in pursuance of Article 114(1) of the Constitution of India to provide for the appropriation out of the Consolidated Fund of India of the moneys required to meet the expenditure charged on the Consolidated Fund and the grants made by the House of People for expenditure of the Central Government, excluding Railways, for the financial year 1954-55.

C. D. DESHMUKH.

NEW DELHI;
The *March*, 1954.

(HOUSE OF THE PEOPLE)

A

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1954-55.

The president has, in pursuance of clauses (1) and (3) of Article 117 of the Constitution of India, recommended to the House of the People the introduction consideration of the Bill.

M. N. Kaul,
Secretary.

(Shri Chintaman D. Deshmukh),
(Minister of Finance).

THE APPROPRIATION BILL

(As passed).

A

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1954-55.

BE it enacted by Parliament as follows:—

1. **Short title.**—This Act may be called the Appropriation No. 2 Act, 1954.

2. **Issue of Rs. 29,40,06,74,000 out of the Consolidated Fund of India for the year 1954-55.**—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate [inclusive of the sums specified in column 3 of the Schedule to the Appropriation (Vote on Account) Act, 1954 (8 of 1954)] to the sums of two thousand nine hundred and forty crores, six lakhs and seventy-four thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1954-55, in respect of the services specified in column 2 of the Schedule.

3. **Appropriation.**—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Service and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry	72,21,000	..	72,21,000
2	Industries	14,31,05,000	..	14,31,05,000
3	Commercial Intelligence and Statistics	51,14,000	..	51,14,000
4	Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry	43,80,000	..	43,80, 00
5	Ministry of Communications	11,38,000	..	11,38,000
6	Indian Posts and Telegraphs Department (including working expenses)	46,51,92,000	*1,97,72,000*	48,49,64,000
7	Meteorology	1,14,56,000	..	1,14,56,000
8	Overseas Communication Service	94,22,000	*4,34,000*	98,56,000
9	Aviation	2,53,14,000	..	2,53,14,000
10	Miscellaneous Expenditure under the Ministry of Communications	25,34,000	..	25,34,000
11	Ministry of Defence	27,39,000	..	27,39,000
12	Defence Services—Effective—Army	1,59,66,89,000	..	1,59,66,89,000
13	Defence Services—Effective—Navy	12,17,88,000	..	12,17,88,000
14	Defence Services—Effective—Air Force	35,90,45,000	..	35,90,45,000
15	Defence Services—Non-effective Charges	15,71,81,000	*6,000*	15,71,87,000
16	Miscellaneous Expenditure under the Ministry of Defence	5,64,000	..	5,64,000
17	Ministry of Education	40,98,000	..	40,98,000
18	Archæology	48,79,000	..	48,79,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
19	Other Scientific Departments .	2,18,76,000	..	2,18,76,000
20	Education	12,14,51,000	..	12,14,51,000
21	Miscellaneous Departments and Expenditure under the Ministry of Education . .	32,91,000	..	32,91,000
22	Tribal Areas	4,36,95,000	..	4,36,95,000
23	External Affairs . . .	5,85,75,000	..	5,85,75,000
24	Chandernagore	22,00,000	..	22,00,000
25	Miscellaneous Expenditure under the Ministry of External Affairs	2,74,000	..	2,74,000
26	Ministry of Finance . .	1,56,21,000	..	1,56,21,000
27	Custom	4,19,03,000	..	4,19,03,000
28	Union Excise Duties . .	6,85,42,000	*16,29,03,000*	23,14,45,000
29	Taxes on Income including Corporation Tax and Estate Duty	3,72,83,000	..	3,72,83,000
30	Opium	1,95,07,000	..	1,95,07,000
31	Stamps	1,28,11,000	*5,59,000*	1,33,70,000
32	Payments to other Governments, Departments, etc. .	11,13,000	..	11,13,000
33	Audit	7,69,99,000	*15,75,000*	7,85,74,000
34	Currency	1,72,79,000	*4,25,000*	1,77,04,000
35	Mint	92,75,000	..	92,75,000
36	Territorial and Political Pensions	21,16,000	..	21,16,000
37	Superannuation Allowances and Pensions	3,36,96,000	*8,86,000*	3,45,82,000
38	Miscellaneous Departments and Expenditure under the Ministry of Finance . .	3,49,79,000	..	3,49,79,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
39	Grants-in-aid to States	18,68,90,000	*13,76,00,000*	32,44,90,000
40	Miscellaneous Adjustments between the Union and State Governments	2,76,000	..	2,76,000
41	Extraordinary Payments	23,09,21,000	..	23,09,21,000
42	Pre-partition payments	1,35,73,000	*27,000*	1,36,00,000
	Charged.—Interest on Debt and other Obligations and reduction or avoidance of Debt	..	*88,72,77,000*	88,72,77,000
43	Ministry of Food and Agriculture	48,23,000	..	48,23,000
44	Forest	43,28,000	..	43,28,000
45	Agriculture	8,96,94,000	..	8,96,94,000
46	Civil Veterinary Services	39,03,000	..	39,03,000
47	Miscellaneous Departments and Expenditure under the Ministry of Food and Agriculture	79,13,000	..	79,13,000
48	Ministry of Health	6,96,000	..	6,96,000
49	Medical Service	1,51,12,000	..	1,51,12,000
50	Public Health	6,34,01,000	..	6,34,01,000
51	Miscellaneous Expenditure under the Ministry of Health	77,37,000	..	77,37,000
52	Ministry of Home Affairs	1,56,39,000	..	1,56,39,000
53	Cabinet	25,94,000	..	25,94,000
54	Delhi	1,57,75,000	..	1,57,75,000
55	Police	1,03,24,000	..	1,03,24,000
56	Census	20,58,000	..	20,58,000
57	Miscellaneous Departments and Expenditure under the Ministry of Home Affairs	9,50,000	..	9,50,000
58	Andaman and Nicobar Islands	1,96,95,000	..	1,96,95,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
59	Ministry of Information and Broadcasting . . .	1,38,92,000	..	1,38,92,000
60	Broadcasting	2,32,17,000	..	2,32,17,000
61	Ministry of Irrigation and Power	10,58,000	..	10,58,000
62	Irrigation (including working expenses), Navigation, Embankment and Drainage Works met from Revenue .	30,000	..	30,000
63	Multi-purpose River Schemes .	41,71,000	..	41,71,000
64	Miscellaneous Departments and Expenditure under the Ministry of Irrigation and Power	34,64,000	..	34,64,000
65	Ministry of Labour . .	31,63,000	..	31,63,000
66	Chief Inspector of Mines . .	9,52,000	..	9,52,000
67	Miscellaneous Departments and Expenditure under the Ministry of Labour . .	3,24,95,000	..	3,24,95,000
68	Employment Exchanges and Resettlement . . .	1,29,25,000	..	1,29,25,000
69	Civil Defence . . .	1,20,000	..	1,20,000
70	Ministry of Law . . .	1,35,04,000	..	1,35,04,000
71	Administration of Justice . .	1,89,000	*11,13,000*	13,02,000
72	Ministry of Natural Resources and Scientific Research . .	7,98,000	..	7,98,000
73	Survey of India . . .	1,43,79,000	..	1,43,79,000
74	Botanical Survey . . .	6,93,000	..	6,93,000
75	Geological Survey . . .	4,49,000	..	4,49,000
76	Geological Survey . . .	56,57,000	..	56,57,000
77	Mines	26,01,000	..	26,01,000
78	Scientific Research . . .	3,21,91,000	..	3,21,91,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
79	Miscellaneous Departments and Expenditure under the Ministry of Natural Resources and Scientific Research	15,000	..	15,000
80	Department of Parliamentary Affairs	1,34,000	..	1,34,000
81	Ministry of Production .	8,41,000	..	8,41,000
82	Salt	1,13,92,000	*6,25,000*	1,38,17,000
83	Other organisations under the Ministry of Production . .	1,29,90,000	..	1,29,90,000
84	Miscellaneous Departments and Expenditure under the Ministry of Production . .	2,02,99,000	..	2,02,99,000
85	Ministry of Rehabilitation .	20,10,000	..	20,10,000
86	Expenditure on Displaced persons	10,23,51,000	..	10,23,51,000
87	Miscellaneous Expenditure under the Ministry of Rehabilitation	30,000	..	30,000
88	Ministry of States	11,72,000	..	11,72,000
89	Privy Purses and Allowances of Indian Rulers . . .	2,61,000	*5,40,77,000*	5,43,38,000
90	Kutch	1,16,97,000	..	1,16,97,000
91	Bilaspur	37,80,000	..	37,80,000
92	Manipur	82,71,000	..	82,71,000
93	Tripura	1,31,57,000	*40,000*	1,31,97,000
94	Relations with States . .	58,20,000	..	58,20,000
95	Miscellaneous Expenditure under the Ministry of States .	1,03,48,000	..	1,03,48,000
96	Ministry of Transport . .	40,05,000	..	40,05,000
97	Ports and Pilotage . . .	62,39,000	..	62,39,000
98	Lighthouses and Lightships .	79,89,000	..	79,89,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
99	Central Road Fund . .	4,62,52,000	..	4,62,52,000
100	Communications (including National Highways) . .	4,88,85,000	..	4,88,85,000
101	Miscellaneous expenditure under the Ministry of Transport .	6,57,000	..	6,57,000
102	Ministry of Works, Housing and Supply	17,42,000	..	17,42,000
103	Supplies	2,97,03,000	..	2,97,03,000
104	Other Civil Works . . .	15,27,94,000	*21,04,000*	15,48,98,000
105	Stationery and Printing . .	5,27,27,000	..	5,27,27,000
106	Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and supply	55,56,000	..	55,56,000
107	Parliament	1,02,02,000	*1,41,000*	1,03,43,000
108	Miscellaneous Expenditure under the Parliament Secretariat	30,000	..	30,000
	Charged.—Staff, Household and Allowances of the President	..	*16,22,000*	16,22,000
109	Secretariat of the Vice-President	83,000	..	83,000
	Charged. Union Public Service Commission . . .	..	*22,22,000*	22,22,000
110	Capital Outlay of the Ministry of Commerce and Industry .	21,57,03,000	..	21,57,03,000
111	Capital Outlay on Indian Posts and Telegraphs (Not met from Revenue). . . .	16,33,73,000	..	16,33,73,000
112	Capital Outlay on Civil Aviation	3,40,00,000	..	3,40,00,000
113	Other Capital Outlay of the Ministry of Communications. .	7,39,60,000	..	7,39,60,000
114	Defence Capital Outlay . .	20,05,00,000	..	20,05,00,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
115	Capital Outlay on the India Security Press . . .	5,21,000	..	5,21,000
116	Capital Outlay on Currency .	2,71,000	..	2,71,000
117	Capital Outlay on Mints . .	71,73,000	..	71,73,000
118	Commuted Value of Pensions	94,05,000	..	94,05,000
119	Payments to Retrenched Personnel	1,08,000	..	1,08,000
120	Other Capital Outlay of the Ministry of Finance. . . .	22,20,23,000	..	22,20,23,000
121	Loans and Advances by the Central Government . .	34,58,92,000	*2,14,41,20,000*	2,49,00,12,000
	Charged. Repayment of Debt .	..	*17,73,14,64,000*	17,73,14,64,000
122	Capital Outlay on Forest. .	43,07,000	..	43,07,000
123	Purchases of food grains . .	65,14,00,000	..	65,14,00,000
124	Other Capital Outlay of the Ministry of Food and Agriculture.	50,14,64,000	*9,14,000*	50,23,78,000
125	Capital Outlay of the Ministry of Health	6,37,73,000	..	6,37,73,000
126	Capital Outlay of the Ministry of Home Affairs. . . .	22,97,000	..	22,97,000
127	Capital Outlay on Broadcasting	2,00,00,000	..	2,00,00,000
128	Capital Outlay on Multipurpose River Schemes . . .	3,98,85,000	..	3,98,85,000
129	Other Capital Outlay of the Ministry of Irrigation and Power	5,05,000	..	5,05,000
130	Capital Outlay of the Ministry of Labour	2,00,000	..	2,00,000
131	Capital Outlay of the Ministry of Natural Resources and Scientific Research . .	1,36,13,000	..	1,36,13,000
132	Capital Outlay of the Ministry of Production . . .	14,50,07,000	..	14,50,07,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
133	Capital Outlay of the Ministry of Rehabilitation . . .	4,07,50,000	..	4,07,50,000
134	Capital Outlay of the Ministry of States	7,60,18,000	..	7,60,18,000
135	Capital Outlay on Ports . .	4,80,02,000	..	4,80,02,000
136	Capital Outlay on Roads . .	13,70,80,000	..	13,70,80,000
137	Other Capital Outlay of the Ministry of Transport . .	92,50,000	..	92,50,000
138	New Delhi Capital Outlay .	6,62,16,000	..	6,62,16,000
139	Capital Outlay on Buildings .	11,74,64,000	..	11,74,64,000
140	Other Capital Outlay of the Ministry of Works, Housing and Supply . . .	6,07,81,000	..	6,07,81,000
	GRAND TOTAL	8,25,07,68,000	21,14,99,06,000	29,40,06,74,000

A

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1954-55.

(As passed by the House of Parliament)

THE INDIAN FINANCE ACT, 1954

An Act to give effect to the financial proposals of the Central Government for the financial year 1954-55.

Be it enacted by Parliament as follows:—

1. Short title.—This Act may be called the Finance Act, 1954.

2. Income-tax and super-tax.—The provisions of section 2 of the Finance Act, 1951 (XXIII of 1951) as originally enacted, and the provisions of the First Schedule thereof as amended by clause (*b*) of section 2 of the Finance Act, 1953 (14 of 1953), shall apply in relation to income-tax and super-tax for the financial year 1954-55 with the modifications that,—

(*a*) references in the Finance Act, 1951 (XXIII of 1951), to the year beginning on the 1st day of April, 1951, shall be construed as references to the year beginning on the 1st day of April, 1954;

(*b*) references in the said Act to the Finance Act, 1950 (XXV of 1950), shall be construed as references to the Finance Act, 1953 (14 of 1953); and

(*c*) references in the said Act and the First Schedule thereof to the year ending on the 31st day of March, 1952, shall be construed as references to the year ending on the 31st day of March, 1955.

3. Amendment of Act XI of 1922.—With effect from the 1st day of April, 1954, the following amendments shall be made in the Indian Income-tax Act, 1922, namely:—

(*a*) in section 4,—

(*i*) in sub-section (*1*), in clause (*i*) of the fifth proviso, for the figures "1954", the figures "1956" shall be substituted;

(*ii*) in sub-section (*3*),—

(*a*) in clause (*xii*), for the figures "1954", the figures "1956" shall be substituted;

(*b*) after clause (*xix*), the following clause shall be inserted, namely:—

"(xx) any income from interest payable without the taxable territories on a loan issued for public subscription before the 1st day of April, 1938, where such interest is payable to a person not resident in the taxable territories, but such income shall not be excepted from being included in his total world income notwithstanding anything in clause (*15*) of section 2;";

(*b*) in section 10, in sub-section (*2*), in sub-clause (*a*) of clause (*vi*), for the figures "1954", the figures "1956" shall be substituted;

(*c*) in section 15C, in clause (*ii*) of sub-section (*2*), for the word "six", the word "eight" shall be substituted.

4. Amendment of Act 34 of 1953.—In the Estate Duty Act, 1953 (34 of 1953), the following amendments shall be made, and shall be deemed to have been made with effect from the 15th day of October, 1953, namely:—

(*a*) after sub-section (*2*) of section 3, the following sub-section shall be inserted, namely:—

'(*3*) For the avoidance of doubt, it is hereby declared that references in this Act to property passing on the death of a person shall be construed as including references to property deemed to pass on the death of such person.';

(*b*) in section 33, in sub-section (*1*),—

(*i*) in clause (*f*), the words "but not exceeding rupees fifty thousand" shall be omitted;

(*ii*) in clause (*g*), the words "but not exceeding rupees fifty thousand" shall be omitted, and the following proviso shall be inserted at the end, namely:—

"Provided that the moneys in respect whereof no estate duty shall be payable either under clause (*f*) or clause (*g*) or under both shall not exceed rupees fifty thousand in the aggregate."

5. Amendment of Act XXXII of 1934.—(*1*) The Indian Tariff Act, 1934 (XXXII of 1934), shall be amended in the manner specified in the First Schedule.

(*2*) For the removal of doubt, it is hereby declared that nothing contained in the proviso to section 4 of the Indian Tariff (Amendment) Act, 1949 (I of 1949), shall affect the operation of clause (*c*) of Part I of the First Schedule.

6. Additional duties of Customs.—When any goods chargeable with a duty of Customs under the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), or under that Schedule read with any notification of the Central Government for the time being in force, are assessed to duty, there shall, up to the 31st day of March, 1955, be levied and collected as an addition to, and in the same manner as, the total amount so chargeable—

(*a*) a sum equal to 155 per cent. of such amount, in the case of goods comprised in Items Nos. 22(2) and 22(4);

(*b*) a sum equal to 55 per cent. of such amount, in the case of goods comprised in Items Nos. 48, 48(2), 48(6) and 51(2), and in the case of textile manufactures specified in Item No. 49 when made wholly or mainly of any of the fabrics specified in Items Nos. 48, 48(1), 48(4), 48(5), 48(7) or 48(10);

(*c*) a sum equal to 45 per cent. of such amount, in the case of goods comprised in Item No. 47(2);

(*d*) a sum equal to 25 per cent. of such amount, in the case of goods comprised in any of the Items of the said Schedule other than those specified in clauses (*a*), (*b*) and (*c*) of this section or in the Second or the Third Schedule to this Act; and

(*e*) a sum equal to 5 per cent. of such amount, in the case of goods comprised in any of the Items of the said Schedule specified in the Third Schedule to this Act.

7. Amendment of Act I of 1949.—In the Indian Tariff (Amendment) Act, 1949 (I of 1949), in sections 4 and 5, for the figures "1954", the figures "1955" shall be substituted.

8. Amendment of Act I of 1944.—With effect from the 28th day of February, 1954, the following amendments shall be made in the First Schedule to the Central Excises and Salt Act, 1944 (I of 1944): —

(*a*) for Item No. 12, the following Items shall be substituted, namely: —

"12. COTTON CLOTH—

"Cotton cloth" means any type of cloth manufactured either wholly from cotton or partly from cotton and partly from any other material, but does not include—

(*i*) ready-made clothing other than dhoties and sarees ;

(*ii*) hosiery ;

(*iii*) leather cloth and inferior or imitation leather cloth ordinarily used in book-binding ;

(*iv*) tracing paper ;

(*v*) cloth manufactured partly from cotton and partly from wool and containing 40 per cent. or more of wool by weight ;

(*vi*) cloth manufactured partly from cotton and partly from rayon or artificial silk and containing 60 per cent. or more of rayon or artificial silk by weight ;

(*vii*) rubberised or synthetic waterproof fabrics whether single-textured or double-textured; and

(*viii*) handloom cloth.

(1) Superfine cloth—	
that is to say, cloth in which the count of warp yarn (whether single or folded) is 48s or finer.	Two annas and six pies per yard.
(2) Fine cloth—	
that is to say, cloth in which the count of warp yarn (whether single or folded) is 35s or finer but does not exceed 47s.	One anna and six pies per yard.
(3) Medium cloth—	
that is to say, cloth in which the count of warp yarn (whether single or folded) is 17s or finer but does not exceed 34s.	Six pies per yard.

(4) Coarse cloth—

that is to say, all the other cloth in which the count of warp yarn (whether single or folded) does not exceed 16s. — Six pies per yard.

12A. RAYON OR ARTIFICIAL SILK FABRICS—

"Rayon or Artificial Silk Fabrics" include all varieties of fabrics manufactured either wholly or partly from the product commercially known as rayon or artificial silk, but do not include any fabric— — Six pies per square yard.

(*i*) containing wholly staple fibre ;

(*ii*) containing less than 60 per cent. of rayon or artificial silk by weight, if mixed with cotton ;

(*iii*) containing less than 46 per cent. of rayon or artificial silk by weight, if mixed with any yarn other than cotton ;

(*iv*) produced or manufactured on a handloom ;

(*v*) produced or manufactured in one or more factories by or on behalf of the same person in which less than twenty five power looms in all are installed." ;

(b) after Item No. 14, the following items shall be inserted, namely:—

"15. CEMENT, all varieties— — Rupees five per ton.

16. SOAP, manufactured with the aid of power in any form including steam, whether in a factory ordinarily using such power or in any other factory where any process incidental or ancillary to the manufacture of soap in that factory is be ing carried on elsewhere with the aid of such power, when the soap so manufactured in any financial year, in the case of household and laundry soap, is in excess of one hundred tons, and in the case of soap of any other kind, is in excess of fifty tons in the aggregate.

"Soap" includes all varieties of the product known commercially as soap,—

(1) Soap, household and laundry, in excess of the first one hundred and twenty five tons removed for home consumption on or after the first day of April in each financial year—

(a) in plain bars of not less than one pound in weight . . . . . . — Rupees five and annas four per cwt.

(b) other sorts . . . . — Rupees six and annas two per cwt.

(2) Soap, toilet, in excess of the first twenty-five tons removed for home consumption on or after the first day of April in each financial year	Rupees fourteen per cwt.
(3) Soap not otherwise specified . . .	Rupees fourteen per cwt.

17. FOOTWEAR, produced in any factory, including the precincts thereof whereon fifty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power or is ordinarily so carried on, the total equivalent of such power exceeding two horse power.

"Footwear" includes all varieties of footwear, whether known as boots, shoes sandals, chappals, or by any other name.	Ten per cent. *ad volorem*

9. **Amendment of Act 12 of 1953.**—In section 2 of the Khadi and Other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953, for clause (*b*), the following clause shall be substituted, namely:—

"(*b*) 'cloth' means cotton cloth and rayon or artificial silk fabrics as defined in the First Schedule to the Central Excises and Salt Act, 1944 (I of 1944)."

10. **Additional duties of excise.**—The provisions of section 8 of the Finance Act, 1951 (XXIII of 1951), shall continue in force up to the 31st day of March, 1955, and accordingly in that section for the figures "1954" as substituted therein by section 7 of the Finance Act, 1953 (14 of 1953) the figures "1953" shall be substituted.

11. **Certain duties of excise to apply to existing stocks also.**—The amendments made by sections 8 and 9 shall apply to rayon or artificial silk fabrics, cement, soap and footwear lying in stock on the 28th day of February, 1954, in any factory or other premises where the said articles are manufactured or produced, or in any premises appurtenant thereto, as they apply to the same articles manufactured or produced on or after the said date.

12. **Discontinuance of salt duty.**—For the year beginning on the 1st day of April, 1954, no duty shall be levied on salt manufactured in, or imported by sea or land into, the territory of India excluding the State of Jammu and Kashmir.

THE FIRST SCHEDULE

(*See* section 5)

PART I

In the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934),—

(*a*) in Item No. 9(3), in the second column, after the word "Cardamoms", the word "cassia" shall be inserted;

(*b*) in Item No. 9(5), for the entries in the fourth and sixth columns, the entries "Re. 1-0-6 per lb." and "Re. 1 per lb." shall respectively be substituted;

(*c*) item No. 9(7) shall be omitted;

(*d*) in Item No. 28(12), in the third column, the word "revenue" shall be inserted, and for the entry in the fourth column, the entry "36 per cent. *ad valorem*" shall be substituted;

(*e*) in Item No. 30(6), for the entry in the fourth column, the entry, "20 per cent. *ad valorem*" shall be substituted;

(*f*) in Item No. 32(2), for the entries in the fourth column against sub-items (a) and (b), the entries "Rs. 7 per cwt." and "Rs. 10-2-0 per cwt." shall respectively be substituted;

(*g*) in Item No. 37(1), in the second column, the words "Leather cloth, including artificial leather, and other" shall be omitted;

(*h*) in Item No. 44(4), for the entry in the fourth column, the entry "66⅔ per cent. *ad valorem*" shall be substituted;

(*i*) in Item No. 50(3), for the entry in the fourth column, the entry "10 per cent. *ad valorem*" shall be substituted;

(*j*) item No. 61(a) shall be omitted;

(*k*) in Item No. 71(13), for each of the entries in the fourth column, the entry "66 per cent. *ad valorem*" shall be substituted;

(*l*) in Item No. 72, in sub-item (e), in the second column, the word "conduits" shall be omitted;

(*m*) in Item No. 72(3), after the words "for any other purpose", the words "but excluding small tools like twist drills and reamers, does and taps, gear cutters and hackshaw blades" shall be inserted;

(*n*) in Item No. 73(6),—

(*i*) in the second column, for the words "Rubber-insulated" the words "Plastic-insulated and rubber-insulated" shall be substituted; and

(*ii*) for the entry in the fourth column, the entry "20 per cent. *ad valorem*" shall be substituted;

(o) in Item No. 73(16), for the entries in the fourth column against sub-items (a) and (b), the entries "50 per cent. *ad valorem*" and "60 per cent. *ad valorem*" shall respectively be substituted;

(p) in Item No. 73(17), for the entries in the fourth column against sub-items (a) and (b), the entries "50 per cent. *ad valorem*" and "60 per cent. *ad valorem*" shall respectively be substituted;

(*q*) in Items Nos. 75(1), 75(9), 75(10), 75(11), 75(12) and 75(14), in the entries in the third column, the word "preferential" shall be omitted wherever it occurs, and the corresponding entries in the fifth column shall be omitted;

(*r*) in Item No. 77(4), to the existing entry in column 2, the words "not otherwise specified" shall be added.

PART II

In the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), for Items Nos. 63(12), 63(15), 63(18), 72(14), 72(35) and 73(15), the following Items shail be substituted, and such substitutions shall be inserted in their appropriate places :—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
63(12)	Iron or steel bolts and nuts including hook-bolts and nuts for roofing and fish bolts and nuts, but excluding machine secrews.	Revenue .	50 per cent. *ad valorem.*			
63(15)	Iron or steel rivets	Revenue .	50 per cent. *ad valorem.*			
63(18)	(*a*) Iron or steel pipes and tubes not otherwise specified.	Revenue .	20 per cent. *ad valorem.*			
	(*b*) Fittings for iron or steel pipes and tubes falling under Item 63(18) (a), that is to say, bends, boots, elbows, tees, sockets, flanges, plugs, valves, cocks and the like, but excluding fittings otherwise specified.	Revenue .	31 1/4 per cent. *ad valorem.*			
72(14)	(*a*) The following electric motors, namely, Squirrel cage induction motors of a brake-horse-power not exceeding 20, including fractional brake-horse-power.	Protective .	10 1/2 per cent. *ad valorem.*			December 31st, 1954.
	(*b*) Component parts of electric motors as defined in Item 72(14) (*a*), but excluding control gear for the same, provided that only such articles shall be deemed to be component parts as are essential for the working of the electric motors and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose.	Protective	20 per cent. *ad valorem.*			December 31st, 1954.

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kindom	A British Colony	
72(35)	Ball bearings of all kinds not exceeding 2" bore diameter adapted for use as parts and accessories of motor vehicles other than motor cycles and motor scooters.	Protective	94 1/2 per cent. *ad valorem.*	..	..	December 31st, 1954.
73(15)	Batteries for motor vehicles (including batteries which are interchangeable for automobile purposes on the one hand and radio, telephone and telegraph on the other) and plates for such batteries.	Protective	45 1/2 per cnt. *ad valorem.*		..	December 31st, 1955.

PART III

In the First Schedule to the Indian Tariff Act, 1934—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the articale is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
	(*i*) after Item No. 37 (1) the following Items shall be inserted, namely:—					
37(2)	Leather clothe, including artificial leather, and manufactures thereof not otherwise specified.	Revenue	50 per cent. *ad valorem.*	..	..	
	(*ii*) after Item No. 73 (17), the following Items shall be inserted, namely:—					
73(18)	Electric fans including air circulators but excluding those which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essentia l for their use for any other purpose.	Preferential revenue.	50 per cent. *ad valorem.*	40 per cent. *ad valorem.*		
73(19)	Conduits designed as parts of a transmission system, and their accessories and fittings.	Revenue	20 per cent. *ad valorem.*	..	..	
	(*iii*) after Item No. 77 (5), the following Item shall be inserted, namely:—					
77(6)	Spectacle frames, all sorts, other than spectacle frames made of or plated with gold and silver or with either of them and parts thereof.	Revenue	50 per cent. *ad valorem.*	..	..	
	(*iv*) after Item No. 82 (3), the following Item shall be inserted, namely:—					
82(4)	P.V.C. Sheets (that is to say, Polyvinyl Chloride sheets), unsupported.	Revenue	50 per cent. *ad valorem.*	..	..	

THE SECOND SCHEDULE

(*See* section 6)

Goods on which additional duty of customs is not leviable.

Goods comprised in the following Items of the First Schedule to the Indian Tariff Act, 1934, namely :—

1(1), 2, 4 (1), 4 (3), 4 (4), 4 (5), 7 (1), 8 (1), 8 (4), 8 (5), 9 (5), 9 (6), 12 (6), 13 (8), 13 (9), 15 (5), 15 (9), 15 (10), 15 (11), 15 (12), 16, 16 (1), 16 (3), 19, 19 (1), 19 (2), 19 (3), 20, 20 (1), 20 (2), 20 (3), 20 (6), 20 (7), 21, 21 (4), 21 (5), 21 (6), 21 (7), 21 (8), 21 (9), 22 (3), 22 (5), 27 (1), 27 (3), 27 (4), 27 (9), 28A, 28 (14), 28 (21), 28 (22), 28 (23), 28 (24), 28 (25), 28 (26), 28 (26A), 28 (27), 28 (28), 28 (29), 28 (30), 30 (1), 30 (2), 30 (6), 30 (7), 30 (11), 30 (12), 30 (13), 31 (4), 31 (5), 32 (2), 37 (2), 40 (6), 40 (7), 44 (1), 44 (4), 44 (7), 45 (3), 45 (4), 45 (5), 48 (1), 48 (3), 48 (4), 48 (5), 48 (7), 48 (8), 48 (9), 48 (10), 49 (*c*), 49 (1), 49 (2), 51, 52, 52 (4), 53 (2), 54, 55 (1), 55 (2), 55 (3), 56, 56 (1), 59 (2), 59 (3), 59 (4), 59 (5), 60, 60 (4), 60 (5), 61, 61 (11), 63 (12), 63 (15), 63 (18), 70 (10), 70 (11), 71 (9), 71 (10), 71 (13), 72 (4), 72 (5), 72 (14), 72 (26), 72 (27), 72 (28), 72 (35), 73 (4), 73 (6), 73 (8), 73 (9), 73 (10), 73 (11), 73 (12), 73 (16), 73 (17), 73 (18), 73 (19), 74 (4), 75 (1), 75 (14), 76, 77 (2), 77 (4), 77 (6), 78 (1), 79, 82 (4), 83, 84 (1), 85, 85 (2), 86, 86 (1).

THE THIRD SCHEDULE

(*See* section 6)

Goods on which additional duty of customs at 5 per cent. is leviable.

Goods comprised in the following Items of the First Schedule to the Indian Tariff Act, 1934, namely :—

4, 8 (2), 9 (3), 11 (2), 11 (4), 11 (5), 11 (6), 13 (4), 15, 21 (3), 24, 24 (1), 24 (2), 24 (3), 25 (1), 27 (2), 27 (5), 27 (6), 27 (7), 27 (8), 28, 28 (4), 28 (8), 28 (12), 28 (15), 28 (16), 28 (17), 28 (18), 28 (19), 28 (20), 28 (31), 29, 29 (1), 30, 30 (9), 30 (10), 34 (3), 40 (4), 40 (5), 43, 44, 45, 46, 46 (3), 47, 50 (3), 55, 60 (2), 60 (3), 60 (6), 60 (7), 61 (2), 61 (3), 61 (8), 61 (9), 62 (1), 62 (2), 63 (14), 63 (30), 63 (31), 63 (32), 63 (33), 63 (34), 63 (35), 64, 64 (3), 64 (4), 65, 66, 66 (1), 67, 67 (1), 67 (2), 68, 68 (2), 69 (2), 70, 70 (1), 70 (2), 70 (3), 70 (4), 70 (5), 70 (6), 70 (9), 71 (2), 71 (3), 71 (7), 71 (8), 71 (11), 72, 72 (1), 72 (2), 72 (3), 72 (11), 72 (12), 72 (13), 72 (15), 72 (16), 72 (17), 72 (18), 72 (19), 72 (20),

72 (21), 72 (22), 72 (23), 72 (24), 72 (25), 72 (33), 72 (34), 73 (2), 73 (7), 73 (14), 73 (15), 74 (2), 75, 75 (2), 75 (3), 75 (5), 75 (6), 75 (7), 75 (8), 75 (9), 75 (10), 75 (11), 75 (12), 75 (13), 77 (5), 78, 82 (1), 82 (3), 84, 85 (1).

K. V. K. SUNDARAM
Secy. to the Govt. of India.

RESOLUTION PUBLISHING THE FINAL BUDGET STATEMENT
GOVERNMENT OF INDIA

MINISTRY OF FINANCE

RESOLUTION

New Delhi, the 5th June 1954

No. 2(27)-B/54.—The annual financial statement for 1954-55 as presented to the Parliament on the 27th February, 1954 is now published in its final form for general information.

2. As a result of the modifications in the Finance Bill accepted by the Parliament the revenue under "Union Excise Duties" will be reduced by Rs. 1,15,00,000.

3. The demands for Grants for the year were voted without modification.

4. The deficit on revenue account will thus stand at Rs. 15,36,49,000 instead of Rs. 14,21,49,000.

D. L. MAZUMDAR, Secy.

GOVERNMENT OF INDIA

BUDGET

of the

CENTRAL GOVERNMENT

for

1954-55

(As finally adopted)

MINISTRY OF FINANCE : New Delhi, the 5th June, 1954 — D. L. MAZUMDAR, *Secretary to the Government of India.*

CONTENTS

I.—GENERAL STATEMENT OF THE REVENUE AND EXPENDITURE

[In thousands of Rupees]

	For details, *vide* Statement	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
I.—CONSOLIDATED FUND OF INDIA.					
REVENUE—					
Principal Heads of Revenue—					
Customs . . .	A	1,73,75,28	1,70,00,00	1,60,00,00	1,75,00,00
Union Excise Duties .	"	83,03,24	94,00,00	93,55,00	92,60,00 +11,85,00*
Corporation Tax . .	"	43,79,99	36,62,00	38,40,00	38,35,00
Taxes on Income other than Corporation Tax . . .	"	84,44,54	68,08,00	69,31,00	70,67,00
Estate Duty . .	"	..	..	..	25,00
Opium . . .	"	2,17,94	2,00,00	2,07,00	1,85,00
Other Heads . .	"	2,81,00	3,33,26	3,19,95	3,38,10
TOTAL—PRINCIPAL HEADS .		3,90,01,99	3,74,03,26	3,66,52,95	3,82,10,10 +11,85,00*
Contributions from Railways . . .	"	7,10,62	7,64,93	7,49,60	7,36,59
Irrigation : Net Receipts	"	37	22	22	—3
Posts and Telegraphs : (Net) (a) . .	"	1,87,23	2,30,49	2,01,94	1,50,00
Debt Services .	"	2,90,71	3,04,89	2,78,34	2,77,77
Civil Administration .	"	11,39,47	11,17,68	10,34,12	10,47,91
Currency and Mint .	"	10,17,41	15,69,08	15,41,41	20,42,19
Civil Works and Miscellaneous Public Improvements . .	"	1,70,88	1,52,74	1,62,43	1,62,54
Electricity Schemes .	"	1,01	54	— 1	6
Miscellaneous . .	"	6,00,04	5,35,76	7,48,56	4,53,72
Extraordinary Items .	"	3,90,79	18,46,67	2	10,21,67
TOTAL—REVENUE		4,35,10,52	4,39,26,26	4,13,69,08	4,41,02,52 +11,85,00*
EXCESS OF EXPENDITURE OVER REVENUE OR DEFICIT . . .		..	..	16,95,68	14,21,49
TOTAL . .		4,35,10,52	4,39,26,26	4,30,64,76	4,67,09,01

* Effect of Budget proposals

(a) Figures shown net ; the expenditure shown in Statement B has been taken in reduction of the receipts shown in Statement A.

Note.—The accounts for 1952-53 have not been finally closed and the actuals given here are only provisional.

MET FROM REVENUE OF THE CENTRAL GOVERNMENT

[In thousands of Rupees]

	For details *vide* Statement	Accounts, 1952-53	Budget Estimates, 1953-54	Revised Estimates, 1953-54	Budget Estimates, 1954-55
I.—CONSOLIDATED FUND OF INDIA					
EXPENDITURE—					
Direct Demands on the Revenue . . .	B	30,38,69	32,49,37	30,92,41	32,19,09
Irrigation . . .	"	17,34	18,63	18,63	15,91
Debt Services . .	"	36,49,98	37,17,00	38,85,16	40,00,00
Civil Administration .	"	51,70,68	71,27,44	68,57,43	86,07,85
Currency and Mint .	"	2,95,56	2,57,09	2,55,82	2,63,26
Civil Works and Miscellaneous Public Improvements . .	"	13,11,44	15,05,92	14,75,03	15,53,69
Electricity Schemes .	"	. .	11	11	. .
Miscellaneous . .	"	48,86,46	29,36,76	33,00,60	28,42,31
Defence Services (*a*) .	"	1,79,52,33	1,99,83,92	1,99,68,17	2,05,62,20
Contributions and Miscellaneous Adjustments between Union and State Governments	"	22,80,28	26,36,65	26,35,72	32,47,66
Extraordinary Items .	"	10,15,11	24,48,49	15,75,68	23,97,04
TOTAL—EXPENDITURE MET FROM REVENUE . .		3,96,17,97	4,38,81,38	4,30,64,76	4,67,09,01
EXCESS OF REVENUE OVER EXPENDITURE OR SURPLUS		38,92,55	44,88	. .	. .
TOTAL .		4,35,10,52	4,39,26,26	4,30,64,76	4,67,09,01

(*a*) Figures shown net ; the receipts shown in Statement A have been deducted from the expenditure shown in Statement B.

II.—GENERAL STATEMENT OF THE RECEIPTS

[In thousands of Rupees.]

	For details *vide* Statement	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
RECEIPTS					
I.—CONSOLIDATED FUND OF INDIA.					
Revenue Surplus (as shown in Part I) . . .		38,92,55	44,88	..	..
Capital Accounts outside the Revenue Account .	C	32,39	..	..	..
Permanent Debt (net) .	"	27,76,34	..	..	25,26,16
Floating Debt (net) . .	"	..	1,09,85,50	79,85,50	2,50,00,00
Loans and Advances by the Central Government (net)	"	..	..	..	..
TOTAL—I.—CONSOLIDATED FUND OF INDIA		67,01,28	1,10,30,38	79,85,50	2,75,26,16
II.—CONTINGENCY FUND OF INDIA .	"	..	..	..	..
III.—PUBLIC ACCOUNT					
Unfunded Debt (net) . .		48,73,60	55,67,14	53,64,12	60,61,79
Depreciation and other Reserve Funds (net) . .	"	73,81	..	..	..
Appropriation for Reduction or Avoidance of Debt (net)	"	5,00,00	5,00,00	5,00,00	5,00,00
Other Deposits and Advances (net) . . .	"	..	1,51,28	64,34,49	29,63,23
Remittances (net) . .	"	..	1,96,73	1,49,12	..
Transfer of Cash between England and India (net)	"	87,29	..	..	..
TOTAL III—PUBLIC ACCOUNT.	"	55,34,70	64,15,15	1,24,47,73	95,25,02
TOTAL RECEIPTS		1,22,35,98	1,74,45,53	2,04,33,23	3,70,51,18
OPENING BALANCE . .	C	1,62,68,08	79,83,89	99,14,21	50,85,14
TOTAL		2,85,04,06	2,54,29,42	3,03,47,44	4,21,36,32

AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT

[In thousands of Rupees.]

	For details, *vide* Statement	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
DISBURSEMENTS					
I.—CONSOLIDATED FUND OF INDIA					
Revenue Deficit (as shown in Part I) . . .		..	..	16,95,68	14,21,49
Capital Accounts not met from Revenue . .	C	39,12,17	76,64,27	63,90,37	1,45,75,12
Permanent Debt (net) .	"	..	18,83,47	39,13,57	..
Floating Debt (net) .	"	17,10,18	..	..	..
Loans and Advances by the Central Government (net)	"	85,38,82	96,32,66	1,16,54,58	1,84,21,40
TOTAL I.—CONSOLIDATED FUND OF INDIA . .		1,41,61,17	1,91,80,40	2,36,54,20	3,44,18,01
III.—PUBLIC ACCOUNT					
Unfunded Debt (net) . .	C	..	..	..	..
Depreciation and other Reserve Funds (net) .	"	..	10,80,13	16,08,10	14,08,99
Appropriation for Reduction or Avoidance of Debt (net)	"	..	..	..	..
Other Deposits and Advances (net)	"	35,18,69	..	..	..
Remittances (net) . .	"	9,09,99	..	..	12,26
Transfer of Cash between England and India (net) .	"	..	..	..	..
TOTAL III.—PUBLIC ACCOUNT		44,28,68	10,80,13	16,08,10	14,21,25
TOTAL—DISBURSEMENTS .		1,85,89,85	2,02,60,53	2,52,62,30	3,58,39,26
CLOSING BALANCE .	C	99,14,21	51,68,89	50,85,14	62,97,06
TOTAL .		2,85,04,06	2,54,29,42	3,03,47,44	4,21,36,32

A.—Statement of the Revenue of the Central Government

[In thousands of Rupees.]

Heads of Revenue	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease (—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease (—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA						
PRINCIPAL HEADS OF REVENUE—						
I.—Customs	1,73,75,28	1,70,00,00	1,60,00,00	—10,00,00	1,75,00,00	+15,00,00
II.—Union Excise Duties	83,03,24	94,00,00	93,55,00	—45,00	1,04,45,00	+10,90,00
III.—Corporation Tax	4[illegible]79,99	36,62,00	38,40,00	+1,78,00	38,35,00	—5,00
IV.—Taxes on Income other than Corporation Tax	84,44,54	68,08,00	69,31,00	+1,23,00	70,67,00	+1,36,00
V.—Estate Duty	..	..	..	.	25,00	+25,00
VI.—Opium	2,17,94	2,00,00	2,07,00	+7,00	1,85,00	—22,00
VII.—Land Revenue	42,51	51,47	52,49	+1,02	52,93	+44
VIII.—State Excise Duties	15,63	16,88	15,78	—1,10	15,48	—30
IX.—Stamps	1,30,89	1,35,42	1,44,27	+8,85	1,45,13	+86
X.—Forest	79,13	1,16,65	94,91	—21,74	1,10,70	+15,79
XI.—Registration	2,38	1,97	1,95	—2	1,99	+4
XII.—Receipts under Motor Vehicles Acts	4,52	5,12	4,54	—58	4,80	+26
XIII.—Other Taxes and Duties	5,94	5,75	6,01	+26	7,07	+1,06
TOTAL	3,90,01,99	3,74,03,26	3,66,52,95	—7,50,31	3,93,95,10	+27,42,15
IRRIGATION—						
XVII.—Works for which Capital Accounts are kept—Gross Receipts	1,93	2,12	2,12	..	2,12	..
Deduct—Working Expenses	*1,71*	*2,10*	*2,10*	..	*2,35*	—25
Net Receipts	22	2	2	..	—23	—25
XVIII.—Works for which no Capital Accounts are kept	15	20	20	..	20	..
TOTAL	37	22	22	..	—3	—25
POSTS AND TELEGRAPHS						
XIX.—Posts and Telegraphs—Gross Receipts	41,06,07	44,12,00	44,12,00	..	45,66,00	+1,54,00
Deduct—Working Expenses	*37,68,08*	*40,17,13*	*40,37,11*	—19,98	*42,18,79*	—1,81,68
Net Receipts	3,37,99	3,94,87	3,74,89	—19,98	3,47,21	—27,68
DEBT SERVICES						
XX.—Interest	2,90,71	3,04,89	2,78,34	—26,55	2,77,77	—57
Carried over	3,96,31,06	3,81,03,24	3,73,06,40	—7,96,84	4,00,20,05	+98,65

A.—Statement of the Revenue of the Central Government—*contd.*

[In thousands of Rupees]

Heads of Revenue	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease(—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease (—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward	3,96,31,06	3,81,03,24	3,73,06,40	—7,96,84	3,99,05,05	+25,98,65
CIVIL ADMINISTRATION—						
XXI.—Administration of Justice	2,36	1,74	2,27	+53	2,00	—27
XXII.—Jails and Convict Settlements	44	29	36	+7	53	+17
XXIII.—Police	9,78	22,25	25,94	+3,69	17,27	—8,67
XXIV.—Ports and Pilotage	37,29	38,30	29,20	—9,10	35,88	+6,68
XXV.—Lighthouses and Lightships	16,08	29,35	24,95	—4,40	29,51	+4,56
XXVI.—Education	19,29	11,61	11,93	+32	13,25	+1,32
XXVII.—Medical	4,27	2,93	4,22	+1,29	21,00	+16,78
XXVIII.—Public Health	6,56	7,54	11,48	+3,94	10,61	—87
XXIX.—Agriculture	43,26	30,95	43,95	+13,00	61,91	+17,96
XXX.—Veterinary	9,78	9,09	9,93	+84	10,00	+7
XXXI.—Co-operation	..	1	1	.	2	+1
XXXII.—Industries and Supplies.—						
Gross Receipts	7,01,80	7,08,87	5,80,94	—1,27,93	5,69 37	—11,57
Deduct—						
Working Expenses	..	..	..	..		..
Net Receipts	7,01,80	7,08,87	5,80,94	—1,27,93	5,69,37	—11,57
XXXIII.—Aviation	83,12	63,50	81,56	+18,06	68,30	—13,26
XXXIV.—Broadcasting	1,33,84	1,27,84	1,24,87	—2,97	1,30,36	+5,49
XXXVI.—Miscellaneous Departments	71,60	63,41	82,51	+19,10	77,90	—4,61
TOTAL	11,39,47	11,17,68	10,34,12	—83,56	10,47,91	+13,79
CURRENCY AND MINT—						
XXXVII.—Currency	8,85,72	14,27,86	14,03,09	—24,77	19,04 44	+5,01,35
XXXVIII.—Mint	1,31,69	1,41,22	1,38,32	—2,90	1,37,75	—57
TOTAL	10,17,41	15,69,08	15,41,41	—27,67	20,42,19	+5,00,78
CIVIL WORKS, ETC.—						
XXXIX.—Civil Works	1,70,56	1,52,65	1,62,29	+9,64	1,62,34	+5
XL-A-Receipts from Multi-purpose River Schemes.	32	9	14	+5	20	+6
ELECTRICITY SCHEMES—						
XLI.—Receipts from Electricity Schemes—						
Gross Receipts	3,68	5,03	4,51	—52	6,73	+2,22
Deduct—						
Working Expenses	*2,67*	*4,49*	*5,02*	—53	*6,67*	—1,65
Net Receipts	1,01	54	—51	—1,05	6	+57
Carried over	4,19,59,83	4,09,43,28	4,00,43,85	—8,99,43	4,31,57,75	+31,13,90

A.—Statement of the Revenue of the Central Government—*concld.*

[In thousands of Rupees]

Heads of Revenue	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease(—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease(—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward	4,19,59,83	4,09,43,28	4,00,43,85	—8,99,43	4,31,57,75	+31,[illegible]3,90
MISCELLANEOUS—						
XLIV.—Receipts in aid of Superannuation	10,92	8,73	10,80	+2,07	9,48	— 1,32
XLV.—Stationery and Printing	52,89	85,00	47,01	—37,99	45,25	—1,76
XLV-A.—Contributions from Railways	7,10,62	7,64,93	7,49,60	—15,33	7,36,59	—13,01
XLVI.—Miscellaneous	5,37,58	4,43,18	6,90,70	+2,47,5[illegible]	3,97,91	—2,92,79
XLVI-A-Receipts from Road and Water Transport Schemes—Gross Receipts	3,86	7,10	7,10	..	9,10	+2,00
Deduct—Working Expenses	*5,21*	*8,25*	*7,0[illegible]*	+1,20	*8,02*	—97
Net Receipts	—1,35	—1,15	·5	+1,20	1,08	+1,03
TOTAL	13,10,66	13,00,69	14,98,16	+1,97,47	11,9[illegible],31	—3,07,85
DEFENCE SERVICES—						
XLVII.—Defence Receipts—Effective	12,63,94	9,92,55	11,06,99	+1,14,44	10,75,92	—31,07
XLVIII.—Defence Receipts—Non effective	21,77	3,39	16,00	+12,61	10,00	—6,00
TOTAL	12,85,71	9,95,94	11,22,99	+1,27,05	10,85,92	—37,07
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS BETWEEN UNION AND STATE GOVERNMENTS—						
L.—Miscellaneous Adjustments between Union and State Governments	..	..	..	..	..	..
EXTRAORDINARY ITEMS—						
LI.—Extraordinary Receipts	60,20	18,46,67	2	—18,46,65	10,21,67	+10,21,65
LIIB.—Civil Defence	1,21	..	..	..	..	..
LIIC.—Pre-partition Receipts	3,29,38	..	..	..	..	..
TOTAL	3,90,79	18,46,67	2	—18,46,65	10,21,67	+10,21,65
RAILWAY REVENUES AS PER RAILWAY BUDGET	52,70,56	51,40,61	44,45,75	—6,94,86	49,03,22	+4,57,47
TOAL—REVENUE	5,02,17,55	5,02,27,19	4,71,10,77	—31,16,42	5,14,73,87	+42,[illegible]8,10
Excess of Expenditure over Revenue or Deficit	..	..	16,95,68	..	15,36,49	..

B.—Statement of the Expenditure met from Revenue of the Central Government

[In thousands of Rupees]

Heads of Expenditure	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease(—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease(—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA						
DIRECT DEMANDS ON THE REVENUE—						
1.—Customs . .	2,17,55	3,33,18	3,36,25	+3,07	3,60,87	+24,62
2.—Union Excise Duties . .	21,30,50	20,19,90	18,92,95	—1,26,95	20,09,87	+1,16,92
3. Corporation Tax.	3,03,83	76,06	81,69	+5,63	85,77	+4,08
4.—Taxes on Income other than Corporation Tax .		2,64,79	2,48,74	—16,05	2,70,76	+22,02
5.—Estate Duty .	..	..	2,31	+2,31	16,34	+14,03
6.—Opium . .	1,62,91	2,93,47	2,69,31	—24,16	1,95,07	—74,24
7.—Land Revenue .	16,70	21,51	21,38	13	19,03	—2,35
8.—State Excise Duties	1,06	1,24	90	—34	1,28	+38
9.—Stamps . .	1,13,84	1,21,39	1,27,28	+5,89	1,29,60	+2,32
10.—Forest . .	91,55	1,16,67	1,10,34	6,33	1,29,02	+18,68
11.—Registration .	40	50	75	+25	70	—5
12.—Charges on account on Motor Vehicles Acts .	..	..	1	+1	3	+2
13.—Other Taxes and Duties . .	35	66	50	—16	75	+25
TOTAL .	30,38,69	32,49,37	30,92,41	—1,56,96	32,19,09	+1,26,68
REVENUE ACCOUNT OF IRRIGATION WORKS—						
17.—Interest on works for which Capital Accounts are kept .	..	..	..	..	..	..
18.—Other Revenue Expenditure .	1,87	3,64	3,64	..	4,88	+1,24
TOTAL .	1,87	3,64	3,64	..	4,88	+1,24
CAPITAL ACCOUNTS OF IRRIGATION, ETC., WORKS MET FROM REVENUE—						
19.—Construction of Irrigation Works financed from ordinary Revenues .	15,47	14,99	14,99	..	11,03	—3,96
POSTS AND TELEGRAPHS REVENUE ACCOUNT—						
20.—Posts and Telegraphs—Interest on Debt. . .	1,50,76	1,64,38	1,72,95	+8,57	1,97,21	+24,26
Carried over .	32,06,79	34,32,38	32,83,99	—1,48,39	34,32,21	+1,48,22

B.—Statement of the Expenditure met from Revenue of the Central Government—*contd.*

[In thousands of Rupees,

Heads of Expenditure	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease (—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease (—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward . .	32,06,79	34,32,38	32,83,99	— 1,48,39	34,32,21	+ 1,48,22
DEBT SERVICES—						
22.—Interest on Debt and other Obligations . . .	70,66,22	74,91,19	76,85,19	+ 1,94,00	83,72,77	+ 6,87,58
Deduct—Interest transferred to—						
Railways . .	*26,88,85*	*27,12,01*	*26,96,86*	+ 15,15	*28,13,26*	—1,16,40
Irrigation . .	*88*	*90*	*89*	+ 1	*90*	—1
Posts and Telegraphs	*1,52,85*	*1,64,72*	*1,73,59*	— 8,87	*1,97,72*	—24,13
State Governments	*7,84,37*	*11,00,00*	*11,35,00*	35,00	*15,55,00*	—4,20,00
Commuted Value of Pensions . .	*22,74*	*24.21*	*23,99*	+ 22	*25,29*	—1,30
Other heads . .	*2,66,55*	*2,72,35*	*2,69,70*	+ 2,65	*2,80,60*	—10,90
TOTAL TRANSFERS .	39,16,24	*42,74,19*	43,00,03	—25,84	48,72.77	—5,72,74
Net . .	31,49,98	32,17,00	33,85,16	+ 1,68,16	35,00,00	+ 1,14,84
23.—Appropriation for Reduction or Avoidance of Debt .	5,00,00	5,00,00	5,00,00	. .	5,00,00	. .
TOTAL . .	36,49,98	37,17,00	38,85,16	+ 1,68,16	40,00,00	+ 1,14,84
CIVIL ADMINISTRATION—						
25.—General Administration . .	9,45,36	11,69,22	11,58,36	—10,86	12,40,37	+ 82,01
26.—Audit . .	4,36,56	4,99,61	4,93,74	—5,87	5,43,60	+ 49,86
27.—Administration of Justice . .	16,70	18,71	18,95	+ 24	21,44	+ 2,49
28.—Jails and Convict Settlements . .	4,37	4,63	4,56	—7	4,81	+ 25
29.—Police . .	2,91,33	3,25,83	3,37,82	+ 11,99	3,84,81	+ 46,99
30.—Ports and Pilotage	83,02	1,00,73	85,80	—14,93	1,02,07	+ 16,27
31.—Lighthouses and Lightships . .	19,78	29,35	24,95	—4,40	29,51	+ 4,56
34.—Tribal Areas .	2,15,94	3,78,53	3,29,12	—49,41	4,36,95	+ 1,07,83
35.—External Affairs	4,19,25	4,53,98	4,51,38	—2,60	4,77,52	+ 26,14
36.—Scientific Departments . .	6,23,43	8,07,29	7,93,68	— 13,61	8,86,50	+ 92,82
37.—Education .	3,31,91	5,46,44	5,06,00	—40,44	12,80,88	+ 7,74,88
38.—Medical . .	72,34	1,15,64	97,36	—18,28	1,64,19	+ 66,83
39.—Public Health .	69,24	1,22,01	1,01,79	—20,22	2,21,67	+ 1,19,88
40.—Agriculture .	2,22,19	3,26,94	2,85,31	—41,63	4,97,89	+ 2,12,58
40A.—Rural Development . .	. .	55	55	. .	55	. .
41.—Veterinary .	30,33	33,76	33,25	—51	36,54	+ 3,29
42.—Co-operation .	43	1,03	85	—18	1,42	+ 57
43.—Industries and Supplies . .	5,48,08	12,94,33	12,25,29	—69,04	13,86,91	+ 1,61,62
44.—Aviation . .	2,72,42	2,92,66	2,87,19	—5,47	2,50,52	—36,67
45.—Broadcasting .	1,91,82	2,20,00	2,18,68	—1,32	2,24,17	+ 5,49
47.—Miscellaneous Departments .	3,76,18	3,86,20	4,02,80	+ 16,60	4,15,53	+ 12,73
TOTAL .	51,70,68	71,27,44	68,57,43	—2,70,01	86,07,85	+ 17,50,42
Carried over .	1,20,27,45	1,42,76,82	1,40,26,58	—2,50,24	1,60,40,06	+ 20,13,48

B.—Statement of the Expenditure met from Revenue of the Central Government—*contd.*

[In thousands of Rupees]

Heads of Expenditure	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease (—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease (—) as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward	1,20,27,45	1,42,76,82	1,40,26,58	—2,50,24	1,60,40,06	+20,13,48
CURRENCY AND MINT—						
48.—Currency	2,08,97	1,60,87	1,62,50	+1,63	1,70,51	+8,01
49.—Mint	86,69	96,22	93,32	—2,90	92,75	—57
TOTAL	2,95,66	2,57,09	2,55,82	—1,27	2,63,26	+7,44
CIVIL WORKS, ETC.—						
50.—Civil Works	12,87,34	14,66,41	14,48,37	—18,04	15,13,33	+64,96
51. B.—Other Revenue Expenditure connected with Multipurpose River Schemes	24,10	39,51	26,66	—12,85	40,36	+13,70
TOTAL	13,11,44	15,05,92	14,75,03	—30,89	15,53,69	+78,66
ELECTRICITY SCHEMES—						
52-A.—Other Revenue Expenditure connected with Electricity Schemes	..	..	..	..	..	..
CAPITAL ACCOUNT OF ELECTRICITY SCHEMES WITHIN REVENUE ACCOUNT						
53.—Capital Outlay on Electricity Schemes	..	11	11	..	..	—11
MISCELLANEOUS—						
54.—Famine	13,10	5	15	+10	5	—10
54A.—Territorial and Political Pensions	20,91	22,82	2,78	—4	21,16	—1,62
54B.—Privy Purses and Allowances of Indian Rulers	4,36,17	4,76,33	5,00,05	+23,72	4,82,34	—17,71
55.—Superannuation Allowances and Pensions	3,27,06	3,36,55	3,36,52	—3	3,42,13	+5,61
56.—Stationery and Printing	2,64,32	2,20,99	1,75,85	—45,14	2,06,12	+30,27
57.—Miscellaneous	38,24,90	18,80,02	22,65,25	+3,85,23	17,90,51	—4,74,74
TOTAL	48,86,46	29,36,76	33,00,60	+3,63,84	28,42,31	—4,58,29
DEFENCE SERVICES—						
58.—Defence Services Effective — Army	1,53,28,90	1,57,29,78	1,55,64,34	—1,65,44	1,52,95,11	—2,69,23
59.—Defence Services Effective — Navy	8,64,95	11,28,38	11,24,90	—3,48	12,14,38	+89,48
60.—Defence Services Effective—Air Force	15,62,74	25,79,24	28,66,90	+2,87,66	35,90,45	+7,23,55
60-A.—Defence Services Non-Effective	14,81,45	15,42,46	15,35,02	—7,44	15,48,18	+13,16
TOTAL	1,92,38,04	2,09,79,86	2,10,91,16	+1,11,30	2,16,48,12	+5,56,96
Carried over	3,77,59,05	3,99,56,56	4,01,49,30	+1,92,74	4,23,47,44	+21,98,14

B.—Statement of the Expenditure met from Revenue of the Central Government—*concld.*

[In thousands of Rupees]

Heads of Expenditure	Accounts, 1952-53	Budget, Estimate, 1953-54	Revised Estimate, 1953-54	Increase (+) Decrease(—) as compared with Budget, 1953-54	Budget Estimate, 1954-55	Increase (+) Decrease(— as compared with Revised, 1953-54
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward	3,77,59,05	3,99,56,56	4,01,49,30	+1,92,74	4,23,47,44	+21,98,14
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS BETWEEN UNION AND STATE GOVERNMENTS						
61.—Grants-in-aid to States	22,77,93	26,34,89	26,32,37	—2,52	32,44,90	+6,12,53
62.—Miscellaneous Adjustments between Union and State Governments	2,35	1,76	3,35	+1,59	2,76	—59
TOTAL	22,80,28	26,36,65	26,35,72	—93	32,47,66	+6,11,94
EXTRAORDINARY ITEMS—						
63.—Extraordinary Charges	7,62,55	22,23,11	13,47,32	—8,75,79	22,23,21	+8,75,89
63-A.—Expenditure connected with Post-War Planning and Development	..	..	..	..	..	..
63-B.—Community Development Projects	2,96	29,18	32,19	+3,01	36,63	+4,44
64-B.—Civil Defence	1,27	1,20	1,18	—2	1,20	+2
64-C.—Prepartition Payments	2,48,33	1,95,00	1,94,99	—1	1,36,00	—58,99
TOTAL	10,15,11	24,48,49	15,75,68	—8,72,81	23,97,04	+8,21,36
RAILWAY EXPENDITURE AS PER RAILWAY BUDGET	52,70,56	51,40,61	44,45,75	—6,94,86	49,03,22	+4,57,47
TOTAL—EXPENDITURE MET FROM REVENUE	4,63,25,00	5,01,82,31	4,88,06,45	—13,75,86	5,28,95,36	+40,88,91
Excess of Revenue over Expenditure or Surplus	38,92,55	44,88	..	..	..	..

C.—Statement of the Receipts and Disbursements of the Central Government

[In thousands of Rupees]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
I.—CONSOLIDATED FUND OF INDIA—				
Excess of Revenue over Expenditure (from Statement B) .	38,92,55	44,88	..	..
CAPITAL ACCOUNTS OUTSIDE THE REVENUE ACCOUNT—				
LIV.—Sale proceeds of American and Lease-Lend Surpluses . .	32,39	..	..	..
PUBLIC DEBT—				
A.—Debt raised in India—				
I.—PERMANENT DEBT—				
3½ per cent National Plan Bonds, 1961 (First issue) . . . . New Loans	7,38	1,00,00,00	75,29,23	75,00,00
TOTAL .	7,38	1,00,00,00	75,29,23	75,00,00
II.—FLOATING DEBT—				
Treasury Bills	12,75,08,75	14,14,20,00	14,25,32,50	19,70,13,00
Treasury Deposit Receipts . .	16,50	..	..	..
Other Floating Loans . . .	..	..	..	..
TOTAL .	12,75,25,25	14,14,20,00	14,25,32,50	19,70,13,00
B.—Debt raised in England—				
Permanent Debt . . .	..	..	..	..
C.—Other Debt	33,58,05	79,00	2,07,17	3,27,80
TOTAL—PUBLIC DEBT . .	13,08,90,68	15,14,99,00	15,02,68,90	20,48,40,80
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments .	13,79,77	17,57,38	18,68,68	20,90,24
Other Loans and Advances .	3,16,17	2,10,52	2,47,44	2,73,45
TOTAL .	16,95,94	19,67,90	21,16,12	23,63,69
TOTAL I.—CONSOLIDATED FUND OF INDIA—RECEIPTS .	13,65,11,56	15,35,11,78	15,23,85,02	20,72,04,49

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
I.—CONSOLIDATED FUND OF INDIA—*contd.*				
Excess of Expenditure over Revenue (from Statement A)	..	..	16,95,68	15,36,4
CAPITAL ACCOUNTS NOT MET FROM REVENUE—				
Railway Capital (as shown in Railway Budget)	7,04,60	18,97,27	17,77,84	33,92,55
Posts & Telegraphs	6,53,46	7,59,78	7,72,02	11,48,62
Forest	21,36	27,20	22,80	28,76
Security Printing Press	5,45	7,85	7,85	5,21
Irrigation	13,48	40,00	40,00	25,00
Agricultural Improvement and Research	32,90	43,85	1,10,51	1,25,56
Industrial Development	39,71	6,74,62	7,43,20	24,09,58
Civil Aviation	87,59	2,32,00	2,17,19	3,33,80
Broadcasting	14,98	47,27	32,36	1,24,57
Ports	58,49	3,25,30	2,64,44	5,31,14
Currency	10	2,41	1,58	2,71
Mint	6,28	50,37	33,05	71,73
Initial Expenditure on New Capital at Delhi	75,50	1,59,15	1,29,76	6,07,56
Multi-purpose River Schemes	3,96,99	3,79,84	4,37,95	3,93 ,86
Civil Works	10,50,92	17,81,41	13,97,39	25,04,99
Capital Outlay on Electricity Schemes	19,78	44,82	23,43	76,41
Road and Water Transport Schemes	8,63	15,76	15,76	9,16
Payments of Commuted Value of Pensions	34,79	38,81	30,16	26,21
Capital Outlay on Sterling Pensions	—7,26,04	—7,15,66	—7,15,66	—7,05,17
Capital Outlay on Payment to Displaced Persons	..	..	..	4,00,00
Payments to Retrenched Personnel	37	1	—48	—1,09
Appropriation to the Contingency Fund	..	..	..	..
Transfer of the Sale Proceeds of American Loan Wheat	26,59,38	..	..	..
Defence Capital Outlay	5,96,01	15,00,00	10,36,30	17,75,00
Schemes of Government Trading	—18,42,56	3,52,21	12,92	—3,11,04
Capital Outlay on Development Grants	..	..	..	16,00,00
TOTAL	39,12,17	76,64,27	63,90,37	1,45,75,12
PUBLIC DEBT—				
A.—Debts raised in India—				
I.—PERMANENT DEBT—				
Expired Loans 2½ per cent. Loan, 1954 3½ per cent. Loan, 1954-59	97,30	1,16,70,00	1,13,61,51	49,76,00
TOTAL—CARRIED OVER	97,30	1,16,70,00	1,13,61,51	49,76,00
Carried over	39,12,17	76,64,27	80,86,05	1,61,11,61

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
I.—CONSOLIDATED FUND OF INDIA—*concld.*				
Brought forward .	39,12,17	76,64,27	80,86,05	1,61,11,61
Brought forward .	97,30	1,16,70,00	1,13,61,51	49,76,00
II.—FLOATING DEBT—				
Treasury Bills	12,74,13,25	13,04,20,00	13,45,32,50	17,20,13,00
Treasury Deposit Receipts . .	18,19,40	14,50	14,50	..
Other Floating Loans . .	2,78	..	..	..
TOTAL .	12,92,35,43	13,04,34,50	13,45,47,00	17,20,13,00
B.—Debt raised in England—				
PERMANENT DEBT—				
India Stocks . . . . } Railway Debenture Stocks . . }	13,75	4,91	2,23	38,50
State Railway Annuities . .	3,09,02	1,11,06	1,11,06	1,15,17
TOTAL .	3,22,77	1,15,97	1,13,29	1,53,67
C.—Other Debt	1,69,02	1,76,50	1,75,17	1,71,97
TOTAL—PUBLIC DEBT .	12,98,24,52	14,23,96,97	14,61,96,97	17,73,14,64
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments .	91,97,22	93,28,27	1,18,37,04	1,78,79,17
Other Loans and Advances .	10,37,54	22,72,29	19,33,66	29,05,92
TOTAL .	1,02,34,76	1,16,00,56	1,37,70,70	2,07,85,09
TOTAL I.—CONSOLIDATED FUND OF INDIA—DISBURSEMENTS . . .	14,39,71,45	16,16,61,80	16,80,53,72	21,42,11,34

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
II.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Appropriations from the Consolidated Fund or from any Reserve Fund .	..	..	..	..
TOTAL II.—CONTINGENCY FUND OF INDIA—RECEIPTS	..	..	..	..

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Deposits of Service Funds	16,76	15,48	15,23	14,60
Post Office Savings Bank Deposits	1,13,35,23	1,16,97,00	1,14,69,00	1,16,41,00
Defence Savings Bank Deposits	..	..	..	..
Post Office Cash Certificates	—14	..	..	..
Defence Savings Certificates	..	..	..	..
National Savings Certificates	25,92,70	30,00,00	31,50,00	35,00,00
State Provident Funds	23,28,74	22,04,61	27,68,31	28,55,25
Other Accounts	1,74,82	1,74,94	1,79,67	1,88,42
Ten-year Treasury Savings Deposit Certificates	7,69,89	10,00,00	7,00,00	8,00,00
TOTAL	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27
DEPOSITS AND ADVANCES—				
Depreciation and other Reserve Funds—				
(*a*) *Interest-bearing*—				
Railway Depreciation and Reserve Funds as per Railway Budget	36,68,78	34,65,09	34,96,28	34,77,18
Railway Development Fund as shown in Railway Budget	12,75,96	9,95,94	3,88,68	5,64,40
P. & T. Renewals Reserve Fund	75,00	1,00,00	1,00,00	1,25,00
Telephone Development Fund	41,17	30,00	58,00	60,00
Other Reserve Funds	14,18	32,62	28,53	42,93
(*b*) *Non-interest bearing*—				
Other Reserve Funds	50,43	4,51	4,87	4,46
Appropriation for Reduction or Avoidance of Debt.	5,00,00	5,00,00	5,00,00	5,00,00
Other Deposits and Advances—				
(*a*) *Interest bearing*—				
Optional Deposits of Excess Profits Tax under the Indian Finance Act, 1942	32,37	..	..	..
Compulsory Deposits of Excess Profits Tax under Ordinance No. XVI of 1943	19,61	75,00	1,00,00	35,00
Anticipatory Deposits made after provisional assessment of Excess Profits Tax	6,50	15	30	..
Deposits towards payment of Excess Profits Tax	6,98	..	..	..
Deposits towards payment of Income Tax	65,40	30,00	45,00	40,00
Advance payment of Tax under Section 18-A of the Income Tax Act	2,44,75	..	..	..
Deposits of Trusts for Indian Princes	6,03	5,86	5,86	5,70
Other Deposits	2,12	..	2,50	.
Carried over	60,09,28	52,39,17	47,30,02	48,54,67
Carried over	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*contd.* Brought forward	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27
Brought forward	60,09,28	52,39,17	47,30,02	48,54,67
(*b*) *Non-interest bearing*—				
Silver Redemption Reserve	44,79	22,54	22,54	22,54
Central Road Fund	6,42,17	6,09,83	5,35,22	5,28,12
Coal Mines Safety and Conservation Fund	..	..	.	1,10,00
Kutch Benevolent Fund	1,00	50	50	50
Fund for Development of Handloom Weaving Industry	5,00	..	..	..
Fund for the Benefit of Cotton-growers	49,54	27,03	1,29,90	1,50,00
Cottton Textiles Fund	..	..	..	..
Fund for payment of Bonus to Temporary Clerical Personnel under the Unified Scale of Pay	10	15	..	..
Sugar (Temporary) Excise Fund	..	..	..	.
Reserve Fund for Protection of Sugar Industry	..	5,32	1,63	3,69
Fund for Relief of Ground-nut Cultivators	..	12	..	9
Fund for Development of Handloom and Khadi Industries	..	6,00,00	7,27,22	6,18,04
Tea Improvement Fund	..	87,14	..	1,40,16
Coffee Marketing and Improvement Fund	..	4,00	..	24,96
Rubber Production and Marketing Fund	..	1,80	..	5,03
Development Fund	..	5,00	..	..
Special Development Fund—				
Fund from the Sale proceeds of American Loan Wheat	26,68,40	..	..	..
Fund from the Sale proceeds of Wheat received under the Colombo Plan	7,36,73	2,43,63	..	..
Fund from other Assistance under the Colombo Plan	..	7,87,67	5,18,00	2,80,45
Fund from Assistance under the Indo-U.S. Technical Co-operation Agreement	2,06	19,40,64	18,24,63	42,04,27
Fund for Assistance from Norway for Fisheries Community Development	..	..	..	27,00
Coal Mines Labour Housing and General Welfare Fund	1,36,27	98,28	1,00,00	1,00,00
Mica Mines Labour Welfare Fund	22,70	30,00	25,00	25,00
Coal Production Fund	—22	..	62	3,55
P.O. Certificate Bonus Fund	3,77,71	4,16,79	4,52,84	5,06,58
Deposits of Local Funds	4,07,01	2,78,57	3,57,75	4,13,13
Civil Deposits	1,73,56,17	1,70,40,37	1,56,72,25	1,52,73,38
Other Deposits	48,20,23	45,65,59	47,93,66	47,05,21
Carried over	3,32,78,94	3,20,04,14	2,98,91,78	3,19,96,37
Carried over	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
I.—PUBLIC ACCOUNT—*contd.* Brought forward . .	1,72,18,00	1,80,92,03	1,82,82,21	1,89,99,27
Brought forward . .	3,32,78,94	3,20,04,14	2,98,91,78	3,19,96,37
Account of payment in respect of provisional assessment of Excess Profits Tax . .	—5,17	2,00	3,00	..
Deposit Account of refundable Excess Profits Tax . . .	—8,50	25,00	25,00	15,00
Deposit account of refundable Central Income-Tax Surcharge	..	..	..	.
Deposit account of interest on Excess Profits Tax Deposits .	46,97	12,50	7,00	7,30
Deferred pay of Indian Troops	..	1,39,96	1,39,68	1,37,43
Post War Reconstruction Fund .	..	..	2,07	..
Other Accounts . . .	2,30,76	2,03,32	14,44,78	15,84,74
Accounts with the Government of Burma	21,23	19,40	11,99	12,20
Accounts with the Reserve Bank	82,85	63,54	89,63	89,65
Other Advances . . .	95,11,38	90,62,41	96,83,86	86,24,50
Value of One-rupee Notes issued	5,00,00	5,00,00	5,00,00	5,00,00
Purchases and sales of Silver (net)	..	80	2,80	2,80
Sales of lease-lend Silver (net) .	..	..	..	
Cash Balance Investment Account (net)	..	..	48,00,00	..
Profits on circulation of nickel, bronze and copper coins (net) .	..	..	..	..
Discount Sinking Fund . .	79,65	82,67	82,67	1,03,96
Bonus on Loans . . .	..	..	..	..
Other Suspense Accounts (net)	2,39,24	17,13,00	31,18,95	36,27,86
Cheques and Bills (net) . .	..	92,93	57,83	55,86
Departmental and Similar Accounts (net)	..	..	4,72,69	..
Miscellaneous	1,46,46	86,39	1,02,29	79,83
TOTAL .	4,41,23,81	4,40,08,06	5,04,36,02	4,68,37,50
Carried over . .	6,13,41,81	6,21,00,09	6,87,18,23	6,58,36,77

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees.]

RECEIPTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*concld.*				
Brought forward	6,13,41,81	6,21,00,09	6,87,18,23	6,58,36,77
REMITTANCES—				
I.—REMITTANCES WITHIN INDIA—				
Inland Money Orders . . .	2,04,80,76	2,10,00,00	2,04,00,00	2,05,00,00
Other Remittances . . .	..	5,02,83	4,43,72	3,94,90
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Posts and Telegraphs	15,09,88	18,07,88	18,25,76	15,83,60
Exchange Accounts between Civil and Defence Services .	1,43,18,95	1,78,60,61	1,72,87,29	1,84,19,03
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account between England and India—				
Purchases and Sales of Silver.	..	..	..	..
Other Transactions . . .	1,80,16,74	1,85,79,03	1,26,82,52	1,21,44,72
TOTAL	5,43,26,33	5,97,50,35	5,26,39,29	5,30,42,25
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	1,46,96,44	1,85,09,38	1,26,73,92	1,21,66,12
RESERVE BANK DEPOSITS: RAILWAYS	..	—19,61,73	—22,01,44	—38,27,01
TOTAL III.—PUBLIC ACCOUNT—RECEIPTS . . .	13,03,64,58	13,83,98,09	13,18,30,00	12,72,18,13
TOTAL—(I+II+III) . .	26,68,76,14	29,19,09,87	28,42,15,02	33,44,22,62
OPENING BALANCE .	1,62,68,08	79,83,89	99,14,21	50,85,14
GRAND TOTAL . .	28,31,44,22	29,98,93,76	29,41,29,23	33,95,07,76

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees.]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Special Loans	25	12	26	26
Deposits of Service Funds	25,09	24,99	24,46	24,25
Post Office Savings Bank Deposits	95,55,92	99,47,00	1,01,19,00	1,02,91,00
Defence Savings Bank Deposits	..	..	1,22,00	..
Post Office Cash Certificates	2,92,80	2,94,00	2,36,00	2,07,00
Defence Savings Certificates	54,86	56,00	64,00	20,00
National Savings Certificates	7,48,64	8,07,00	7,50,20	8,50,20
State Provident Funds	14,74,20	11,37,32	13,93,63	13,37,28
Other Accounts	1,62,55	1,58,46	1,58,54	1,57,49
Ten-year Treasury Savings Deposit Certificates	30,09	1,00,00	50,00	50,00
TOTAL	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48
DEPOSITS AND ADVANCES—				
Depreciation and Other Reserve Funds—				
(a) Interest bearing—				
Railway Depreciation and Reserve Funds as per Railway Budget	40,85,30	40,91,66	42,40,53	43,29,75
Railway Development Fund as per Railway Budget	8,10,22	13,78,23	12,40,80	10,59,37
P. & T. Renewals Reserve Fund	95,86	1,40,22	1,34,70	1,45,00
Telephone Development Fund	34,69	30,00	30,00	75,00
Other Reserve Funds	5,95	61,61	33,59	69,97
(b) Non-interest bearing—				
Other Reserve Funds	4,85	6,57	4,84	3,78
Appropriation for Reduction or Avoidance of Debt—				
Sinking Funds	..	..	..	..
Other Deposits and Advances—				
(a) Interest bearing—				
Optional Deposits of Excess Profits Tax under the Indian Finance Act, 1942	69,32	..	..	10
Compulsory Deposits of Excess Profits Tax under Ordinance No. XVI of 1943	6,36,73	2,05,00	2,15,00	60,00
Anticipatory Deposits made after provisional assessment of Excess Profits Tax	4,43	4,40	10,00	4,00
Carried over	57,47,35	59,17,69	59,09,46	57,47,06
Carried over	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees.]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*contd.* Brought forward	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48
Brought forward	57,47,35	59,17,69	59,09,46	57,47,06
Deposits towards payment of Excess Profits Tax	6,58,40	50	5	50
Deposits towards payment of Income Tax	74,87	65,00	75,00	70,00
Advance payment of Tax under Section 18A of the Income Tax Act	19,01,32	4,00,00	8,00,00	2,35,00
Deposits of Trusts for Indian Princes	22,11	22,11	22,11	22,11
(*b*) *Non-interest bearing*—				
Silver Redemption Reserve	44,79	22,54	22,54	22,54
Central Road Fund	3,72,58	5,96,53	5,60,92	6,11,90
Coal Mines Safety and Conservation Fund	..	..	..	89,26
Kutch Benevolent Fund	33	50	50	50
Fund for the Benefit of Cottongrowers	60,21	70,00	2,17,99	1,81,41
Cotton Textiles Fund	14	24,66	23,53	24,67
Sugar (Temporary) Excise Fund	9,71	33,00	22,88	68,10
Reserve Fund for Protection of Sugar Industry	2,71	..	1,91	23,89
Fund for Relief of Groundnut Cultivators	1,50	2	52	4
Fund for Relief of Linseed Cultivators	..	..	4	41
Fund for Development of Handloom and Khadi Industries	..	2,00,00	5,85,26	7,60,00
Tea Improvement Fund	..	94,20	..	83,56
Coffee Marketing and Improvement Fund	..	4,00	..	5,65
Rubber Production and Marketing Fund	..	1,80	..	1,77
Development Fund	5	7,00	..	..
Workmen's Benefit Fund	..	..	50	1,71
Special Development Fund—				
Fund from the Sale proceeds of American Loan Wheat	15,18,10	28,79,00	24,17,00	21,27,00
Fund from the Sale proceeds of Wheat received under the Colombo Plan	4,63,54		4,22,00	..
Fund from other Assistance under the Colombo Plan	..	6,95,00	5,18,00	2,53,78
Fund from Assistance under the Indo-U.S. Technical Co-operation Agreement	..	8,45,00	8,70,63	31,36,95
Fund for Assistance from Norway for Fisheries Community Development	..	..	..	27,00
Coal Mines Labour Housing and General Welfare Fund	56,62	1,15,00	1,00,00	1,28,00
Mica Mines Labour Welfare Fund	5,93	29,18	19,94	25,93
Coal Production Fund	..	..	..	..
Fund for Development of Handloom Weaving Industry	51	..	..	..
P.O. Certificate Bonus Fund	73,48	95,36	81,28	73,35
Deposits of Local Funds	3,68,76	3,23,39	3,94,87	4,16,01
Civil Deposits	1,75,33,41	1,71,74,82	1,55,89,74	1,50,61,22
Other Deposits	46,63,72	46,14,59	46,05,92	46,53,57
Carried over	3,35,80,14	3,42,30,89	3,32,62,59	3,38,52,89
Carried over	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees.]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*con'd*				
Brought forward	1,23,44,40	1,25,24,89	1,29,18,09	1,29,37,48
Brought forward .	3,35,80,41	3,42,30,89	3,32,62,59	3,38,52,89
Transactions connected with War, 1939	43,54	2,00	..	..
Account of payment in respect of provisional assessment of Excess Profits Tax . . .	31,23	44,00	1,00,00	40,00
Deposit account of refundable Excess Profits Tax	7,06,34	5,05,00	5,08,00	1,05,00
Deposit account of refundable Central Income-Tax Surcharge . .	—1,48	50	50	..
Deposit account of interest on Excess Profits Tax Deposits . . .	..	11,00	17,00	6,00
Deferred Pay of Indian Troops .	..	29,50	89,79	85,00
Post War Reconstruction Fund .	..	13,36	41,14	80
Other Accounts	1,56,99	1,94,35	15,40,16	16,16,50
Account with the Government of Burma . . .	20,68	18,60	12,20	12,10
Accounts with the Reserve Bank .	94,59	57,84	86,88	86,84
Other Advances	84,46,68	89,90,56	92,18,96	86,54,02
Value of One-rupee Notes issued .	..	..	..	..
Purchases and Sales of Silver (net) .	9,50	..	..	..
Sales of lease-lend Silver (net) .	..	..	..	..
Cash Balance Investment Account (net)	15,60,33	..	..	..
Profit on circulation of nickel, bronze and copper coins (net) . . .	1,07,28	1,31,50	1,27,05	1,28,48
Discount Sinking Fund . .	..	..	..	..
Bonus on Loans . .	19	2	..	..
Other Suspense Accounts (net) .	..	..	..	..
Cheques and Bills (net) .	3,20,21	..	..	..
Departmental and Similar Accounts (net)	18,69,64	1,21,23	..	1,15,63
Miscellaneous . .	1,22,83	86,56	1,05,36	80,00
TOTAL .	4,70,68,91	4,44,36,91	4,51,09,63	4,47,83,26
Carried over	5,94,13,09	5,69,61,80	5,80,27,72	5,77,20,74

C.—Statement of the Receipts and Disbursements of the Central Government—*concld.*

[In thousands of Rupees.]

DISBURSEMENTS	Accounts, 1952-53	Budget Estimate, 1953-54	Revised Estimate, 1953-54	Budget Estimate, 1954-55
III.—PUBLIC ACCOUNT—*concld.*				
Brought forward	5,94,13,09	5,69,61,80	5,80,27,72	5,77,20,74
REMITTANCES—				
I.—REMITTANCES WITHIN INDIA—				
Inland Money Orders . . .	2,04,62,80	2,09,00,00	2,03,50,00	2,04,50,00
Other Remittances	9,82,51	4,06,10	3,44,60	4,57,16
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Posts and Telegraphs	14,74,02	18,07,88	18,25,76	15,83,60
Exchange Accounts between Civil and Defence Services .	1,43,46,21	1,78,60,61	1,72,87,29	1,84,19,03
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Accounts between England and India—				
Purchases and sales of Silver . .	..	..	..	..
Other Transactions . . .	1,79,70,78	1,85,79,03	1,26,82,52	1,21,44,72
TOTAL .	5,52,36,32	5,95,53,62	5,24,90,17	5,30,54,51
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank . . .	1,46,09,15	1,85,09,38	1,26,73,92	1,21,66,12
RESERVE BANK DEPOSITS : RAILWAYS— . . .	..	—19,61,73	—22,01,44	—38,27,01
TOTAL III.—PUBLIC ACCOUNT—DISBURSEMENTS . .	12,92,58,56	13,30,63,07	12,09,90,37	11,91,14,36
TOTAL.—(I+III). . .	27,32,30,01	29,47,24,87	28,90,44,09	33,33,25,70
Closing Balance .	99,14,21	51,68,89	50,85,14	61,82,06
GRAND TOTAL .	28,31,44,22	29,98,93,76	29,41,29,23	33,95,07,76

Budget, 1954-55

Explanatory Memorandum

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PREFACE

The Explanatory Memorandum has been slightly recast and amplified to make it less technical and more easily understood. It consists of five Sections. The first Section deals with the estimates of revenue and expenditure met from revenue. The second Section deals with the capital transactions. The third Section contains short notes on various important schemes included in the budget estimate, the fourth Section contains data and statistics of financial and economic interest, while Section V contains a statement illustrating the income and super tax payable on different incomes.

The usual annexures giving the progress of revenue and expenditure over a period of years, the distribution by Demands for Grants and Appropriation of the expenditure shown by heads of account in the budget for 1954-55, the distribution of the expenditure estimates for 1954-55 under broad categories and details of certain interim relief schemes for displaced persons are given at the end.

Suitable Introductory Notes have been included explaining the broad structure of the budget, the various types of transactions included in the different sections and the relation between the annual financial statement laid before Parliament in accordance with the provisions of the Constitution and the explanations given in this Memorandum.

In this Memorandum the expressions "current year" and "next year" indicate the financial years 1953-54 and 1954-55 respectively. Sterling transactions in the current year have been converted at the rate of 1 sh. 5·31/32 d. on the basis of the actual rates prevailing upto January 1953. In accordance with the usual practice similar transactions included in the budget for 1954-55 have been converted into rupees at the standard rate of 1 sh. 6d. to the rupee.

The accounts for the year 1952-53 have not been finally closed. The actuals for that year shown in the Explanatory Memorandum are, therefore, provisional and subject to readjustment.

INTRODUCTORY NOTE

The "annual financial statement" laid before both Houses of Parliament, in accordance with the provisions of the Constitution; is the budget of the Central Government. This statement covers all the transactions of the Central Government during the current and the ensuing years. The budget of the Indian Railways is separately presented to Parliament and dealt with by it. But as the receipts and expenditure of the Railways are, nevertheless, the receipts and expenditure of the Government of India, the figures relating to these are also included in lump in the general budget.

2. The annual financial statement is prepared by major heads of account, prescribed in consultation with the Comptroller and Auditor General. These heads fall either under the Consolidated Fund of India or in the Public Account of the Government. In addition, the Government of India also maintain a Contingency Fund, set up under an Act of Parliament, with a balance of Rs. 15 crores, from which to make advance for meeting urgent unforeseen expenditure, subject to the obtaining of Parliamentary sanction for such expenditure in due course. The receipts and expenditure of Government fall under one or other of the major heads either in the Consolidated Fund or the Public Account in accordance with the prescribed rules of classification.

3. All revenues received by the Government of India, all loans raised by the Government by the issue of Treasury Bills, loans or ways and means advances and all monies received by Government in repayment of loans are credited to the Consolidated Fund and monies can be appropriated from that Fund only in accordance with law and for the purposes and in the manner provided in the Constitution. All other public monies received by or on behalf of the Government of India are credited to the Public Account. Government expenditure, including expenditure on loans and advances by Government, the repayment of loans, treasury bills and ways and means advances is met out of the Consolidated Fund. The estimates of expenditure included in the "annual financial statement" have to show separately the sums required to meet expenditure which the Constitution has charged upon the Consolidated Fund and the sums from the Consolidated Fund required to meet other expenditure. The estimates have also to distinguish expenditure on revenue account from other expenditure. The latter cover expenditure on capital outlay, loans given by Government and expenditure on the repayment of loans, treasury bills and ways and means advances.

4. The expenditure in the estimates to be met from the Consolidated Fund is presented to the House of the People in the form of Demands for Grants, except to the extent to which such expenditure is charged on the Consolidated Fund and, in consequence, does not require a vote of the House of the People. These demands generally cover the requirements of each individual administrative service. For example, a Ministry will have a demand for its own expenditure and one for the expenditure of each one of the various departments under its administrative control. Except in special circumstances, a demand does not cover more than one department or more than one head of account. The main exception to this is that all expenditure controlled by the head of each of the Centrally Administered areas is brought together in a single demand. There are also demands for miscellaneous purposes such as, payments of grants in aid, loans, etc., under the Ministry administering these grants and loans although there are no "departments" as such dealing with them. The "charged" expenditure under any head for which there is a voted demand. is included in that demand, but is shown separately and is, as explained

earlier, not presented for vote. Where expenditure is wholly charged, a separate appropriation is included for it in the book of demands.

5. Within each demand the estimates are arranged by suitable sub-heads, which indicate broadly the categories of expenditure included in the demand. So long as the total demand is not exceeded, Government (and authorities subordinate to them to whom powers may be delegated) can meet excesses under one sub-head from savings in another except that excess in charged expenditure cannot be met by savings under voted heads and *vice versa.*

6. One qualification must be remembered in considering the demands for grants. Although they are generally by major heads, the total of all the demands relating to a major head and the charged expenditure provided under that head may not agree with the total shown in the annual financial statement. This is because certain recoveries are taken in the accounts in reduction of expenditure while in the demands, which when passed, provide the authority for incurring the particular item of expenditure, these recoveries are not taken into account. Broadly, these recoveries relate to inter-departmental adjustments or recoveries from other Governments, *ad hoc* funds etc. Thus if the Union Excises Department does some work for Customs, the gross expenditure will appear in the demand under Union Excises while the accounts will show only the net expenditure (*i.e.* gross expenditure less recovery from customs) under the major head 'Union Excise Duties'. Similarly, while the interest received on the capital advanced to commercial departments and State Governments are taken in the accounts in reduction of expenditure under the major head 'Interest', the appropriation for "Interest" will show the actual sum which Government have to find for the payment of interest on and the servicing of the outstanding debt and other interest bearing obligations.

7. After the demands have been voted by the House of the People, the monies required to meet the grants so voted and the expenditure charged on the Consolidated Fund and included in the annual financial statement presented to Parliament are withdrawn from the Consolidated Fund under the authority of an Appropriation Act passed by Parliament.

8. For payments out of the Public Account, no demand is required to be presented to Parliament and the actual requirements are met from time to time as they arise. These payments are largely of the nature of banking transactions. State Provident Funds, depreciation and other reserve funds of Government departments, Post Office Savings Banks, Post Office cash and other savings certificates, Postal Life Insurance Fund, *ad hoc* funds created by Government by appropriation from revenue or otherwise, miscellaneous deposits and remittances are included in the Public Account. It is broadly correct to say that none of the monies lying in the Public Account belong to Government. They have to be paid back at sometime or the other to the public as in the case of State Provident Funds, Postal Savings Bank, Postal cash certificates, Life Insurance Funds, etc. or to be utilised by Government in an agreed manner as in the case of *ad hoc* funds set up for special purposes. It may be mentioned, to complete the picture, that normally the approval of Parliament is obtained to any appropriation from revenue to create a fund and for subsequent outlay from such funds in the same manner as for other expenditure. When an amount is transferred to any such fund, it is shown as expenditure in the estimates of the year in which the transfer is made. Expenditure met from these funds is similarly shown in the estimates of the year in which it is incurred but an equivalent amount is transferred from the fund to meet this expenditure. Parliamentary control is thus secured on both the creation of such funds and the utilisation of the monies in them.

SECTION I

ESTIMATES OF REVENUE AND EXPENDITURE MET FROM REVENUE

SECTION
REVENUE

The budget for 1953-54 provided for, a surplus on revenue account of a deficit of Rs. 16·96 crores. On the basis of the current years' level of crores and the expenditure met from revenue at Rs. 467·09 crores leaving proposals approved by Parliament it is estimated that this revenue deficit

The estimated revenue and expenditure under each Major Head of Central Government. Statement I below shows in broad categories a how the estimated expenditure for the next year has been distributed

STATEMENT
SUMMARY OF REVENUE

REVENUE

Heads of Revenue	1952-53 Account	1953-54 Budget	1953-54 Revised	1954-55 Budget
Customs	1,73,75	1,70,00	1,60,00	1,75,00
Union Excise Duties	83,03	94,00	93,55	{ 92,60 + 10,70*
Corporation Tax	43,80	36,62	38,40	38,35
Taxes on Income	1,41,43	1,22,56	1,26,60	1,26,65
Estate Duty	..	..	..	4,00
Opium	2,18	2,00	2,07	1,85
Interest	2,91	3,05	2,78	2,78
Civil Administration	11,40	11,18	10,34	10,48
Currency and Mint	10,17	15,69	15,41	20,42
Civil Works	1,71	1,53	1,62	1,63
Other sources of Revenue	12,73	27,16	10,69	18,13
Posts & Telegraphs (Net contribution)	1,87	2,30	2,02	1,50
Railways—Net Contribution	7,11	7,65	7,50	7,37
Deduct—Share of Income-Tax payable to States	—56,98	—54,48	—57,29	—55,98
Deduct—Share of Estate Duty payable to States	..	..	..	—3,75
TOTAL—REVENUE	4,35,11	4,39,26	4,13,69	{ 4,41,03 + 10,70*
DEFICIT ON REVENUE ACCOUNT	..	..	16,96	{ 26,06 —10,70*
TOTAL	4,35,11	4,39,26	4,30,65	4,67,09

*Effect of Finance Act.

I.

BUDGET

Rs. 45 lakhs. It is now expected that this surplus will be converted into taxation the revenue for the coming year is estimated at Rs. 441·03 a deficit of Rs. 26·06 crores. After allowing for the effects of the budget will be reduced to Rs. 15·36 crores.

Account have been shown in statements A and B of the Budget of the summary of the estimated revenue and expenditure. Annexure IX shows over the various Demands for Grants and Appropriations.

I

AND EXPENDITURE

(In lakhs of Rupees)

EXPENDITURE

Heads of Expenditure	1952-53 Account	1953-54 Budget	1953-54 Revised	1954-55 Budget
Direct Demands on Revenue	30,39	32,49	30,92	32,19
Irrigation . . .	17	19	19	16
Debt Services	36,50	37,17	38,85	40,00
Civil Administration	51,71	71,27	68,57	86,38
Currency and Mint . .	2,96	2,57	2,56	2,63
Civil Works . . .	13,11	15,06	14,75	15,54
Miscellaneous . .	48,87	29,37	33,01	28,42
Defence Services (Net)	1,79,52	1,99,84	1,99,68	2,05,62
Contributions and grants-in-aid to States . .	22,80	26,37	26,36	32,48
Extraordinary Items	10,15	24,48	15,76	23,97
TOTAL—EXPENDITURE	3,96,18	4,38,81	4,30,65	4,67,09
SURPLUS ON REVENUE ACCOUNT .	38,93	45	..	..
TOTAL . .	4,35,11	4,39,26	4,30,65	4,67,09

NOTES ON REVENUE ESTIMATES

Customs.—A rough distribution of the Customs revenue expected to be collected during the current year and the next year is given below.

STATEMENT II

SEA CUSTOMS—IMPORTS

	1952-53 Account	1953-54 Budget	1953-54 Revised	1954-55 Budget
I. *Revenue Duties*				
Ale, beer, porter, cider and other fermented liquors	25	25	25	25
Spirits and liquors	2,03	2,00	1,75	2,00
Wines	7	5	5	5
Spices	16	10	80	75
Tobacco	3,33	3,00	2,00	2,00
Kerosene oil	6,66	6,25	6,75	7,00
Motor spirit	27,59	27,50	28,00	29,00
Oils—batching, fuel and lubricating	4,00	3,50	3,00	3,00
Cotton, raw	4,92	4,75	4,00	..
Motor cars, cycles, scooters, omnibuses, chassis, vans, lorries and parts thereof	8,70	9,15	5,00	5,25
Electric lighting bulbs	37	30	30	30
Wireless reception instruments and apparatus	68	65	50	65
Coal-tar dyes and coal-tar derivatives	90	1,00	1,75	1,75
Machinery	5,62	5,30	5,30	5,50
Iron and steel	3,21	3,50	2,60	2,75
Metals, other than iron and steel, silver and block tin	12	10	10	10
Railway plant and rolling stock	2,22	1,00	2,20	2,25
Wood-pulp, paper and stationery	2,59	2,87	3,00	3,20
Artificial silk yarn and thread	3,09	3,00	4,10	4,50
Yarn and other textile fabrics	57	1,10	60	60
Cinematograph films	59	50	50	50
Pneumatic rubber tyres and tubes	14	10	8	5
Toys, games and sports goods	5	5	7	5
Betelnuts	3,69	5,00	5,00	8,00
All other articles	28,94	32,23	35,40	48,35

STATEMENT II—*concld.*

	1952-53 Account	1953-54 Budget	1953-54 Revised	1954-55 Budget
II.—*Protective Duties*				
Heavy chemicals	76	85	50	50
Iron and steel	41	45	25	25
Metals other than iron and steel	94	1,00	85	90
Raw silk	33	50	40	40
Silk yarn and thread	2	1	1	1
Silk fabrics	21	40	10	10
Artificial silk fabrics	21	40	25	30
Sewing machines and parts thereof	19	15	15	15
Machinery other than Sewing Machines	..	..	1,20	1,30
Cycles (other than motor cycles) and parts thereof	2,21	2,25	1,25	1,25
All other articles	2,12	2,10	1,19	1,19
III.—*Duties on American Disposals*				
Duties on American Disposals	18	14	..	..
TOTAL—IMPORTS	1,18,07	1,21,50	1,19,25	1,34,20

SEA CUSTOMS—EXPORTS

	1952-53 Account	1953-54 Budget	1953-54 Revised	1954-55 Budget
Jute— Raw, Manufactured	19,43	14,50	11,00	10,50
Raw cotton, Cotton Waste	10,07	8,00	5,50	6,50
Cotton cloth and yarn	5,97	6,00	3,00	3,00
Manganese	3,18	2,50	3,50	3,50
Tea	10,62	10,75	12,50	12,40
Black pepper	3,48	2,75	2,50	2,50
Other agricultural produce	43	40	40	40
Iron and steel	28	20	20	10
Mica	23	25	25	25
Oil and oil seeds	2,13	2,00	1,00	1,00
Raw wool	1	..	..	..
Mercury	4	15	1,01	10
Coffee	..	..	35	25
TOTAL—EXPORTS	55,97	47,50	40,30	40,50
Land Customs	2,72	3,00	2,00	2,00
Air Customs	56	..	..	..
Miscellaneous	1,31	1,25	70	80
TOTAL—GROSS REVENUE	1,78,63	1,73,25	1,62,25	1,77,50
Deduct—Refunds	*4,88*	*3,25*	*2,25*	*2,50*
NET REVENUE	1,73,75	1,70,00	1,60,00	1,75,00

The import tariff is cast in the form of a commodity schedule with broad distinctions indicating the treatment to be accorded to various classes of articles. The general rate of import duty is now 25 per cent. plus a temporary surcharge of 1/4th. Certain luxury items carry a high rate of tax, certain items are subject to protective duties and while certain other items are declared duty free or are subjected to a low rate of duty, in the interest of indigenous industry or the economy of the country. Some of the luxury items which carry the heaviest rates of duty (ranging from 75 to 100 per cent) are tobacco manufactures, wines and spirits, artificial silk goods, gold plated articles, cotton, silk and art silk fabrics, fabrics containing gold or silver thread, socks and stocking of silk or art silk, boots and shoes, parasols and sunshades, gold and silver thread manufactures, silver thread and wire, motor cars, clocks and watches, etc. Some of the protected goods are some chemicals, matches, silk and art silk fabrics, certain manufactures of iron and steel, aluminium, sewing machines, cycles and certain items of machinery and parts, batteries for motor vehicles, ball bearings, titanium dioxide, power and distribution transformers, for which the rates of duty are fixed at such amounts and for such periods as are found necessary having regard to the recommendations of the Tariff Commission. Grains and pulses and a number of raw materials for industry are on the free list, while specially low but varying rates of tax cover a large number of essential items like fuel oils, batching oils, lubricants, raw films, textiles machinery lubricants, textile machinery, etc.

Export duties cover a number of items of which jute and tea are normally the most important. In recent years export duties have been used to counter inflation and to obtain for the exchequer the benefit of any large disparities between the internal and external prices of the country's principal exports. The Government continue to keep under constant review the effect of such duties on the country's export trade and recently on certain goods, duties have been either abolished or reduced to improve the competitive position of the commodities concerned in world markets. At present export duties are levied on jute, cotton, cotton waste, cotton cloth, manganese ore, tea, black pepper, iron and steel and certain manufactures thereof, some oils and oil seeds, mercury and coffee.

Since the presentation of the Budget in February 1953, export duty has been abolished on jute manufactures other than cloth and bags, both of hessian and sacking variety, certain iron and steel manufactures, medium cloth and tobacco seed oil. Duty has been also reduced on linseed, linseed oil, and hessian cloth and bags. A new duty was levied on coffee at the rate of Rs. 62½ per cwt.

The net receipts from customs amounted to about Rs. 130 crores for the first 10 months of the current year. On the trend of actuals, the total revenue is estimated at Rs. 160 crores. As compared with the original budget, there is a drop of Rs. 10 crores, which is largely due to reduction of export duty on Hessian cloth and bags and abolition of duty on Medium Cloth.

For the next year, the total revenue is placed at Rs. 175 crores. This allows for the effect of the budget proposals approved by Parliament. The improvement of Rs. 15 crores as compared with the current year's Revised is largely due to anticipated import of sugar during the next year, additional revenue from the increased duty on betel nuts, and increased yield from import of commodities carrying high duties which may be expected with the easing of India's foreign exchange position, counterbalanced by the loss in revenue due to the abolition of import duty on raw cotton.

Union Excise Duties.—Following are the details of revenue from Union Excise Duties:—

STATEMENT III

	1952-53 Accounts	1953-54 Budget	1953-54 Revised	1954-55 Budget
Motor Spirit	2,11	2,05	2,15	2,15
Kerosene	24	25	25	25
Silver	1	..	..	..
Sugar	9,93	11,55	14,60	12,00
Matches	9,45	9,00	9,00	9,00
Steel Ingots	61	60	55	60
Tyres	4,40	5,25	5,00	5,25
Tobacco	34,68	35,00	34,00	35,00
Vegetable Products	2,75	2,90	2,70	2,75
Coffee	59	75	75	75
Tea	3,46	4,25	3,00	3,50
Cotton Cloth	13,46	20,98	20,00	26,50
Coal Cess	2,42	2,00	2,15	2,20
Artificial Silk	..	..	..	75
Cement	..	..	..	1,75
Footwear	..	..	..	60
Soap	..	..	..	1,10
Miscellaneous	62	42	40	40
TOTAL—GROSS REVENUE	84,73	95,00	94,55	1,04,55
Deduct—Refunds	*1,70*	*1,00*	*1,00*	*1,25*
TOTAL—NET REVENUE	83,03	94,00	93,55	1,03,30

On the trend of actuals for the first 10 months of the current year which amount to about Rs. 73 crores, and the normal expectations for the rest of the year, the total revenue under Union Excise Duties for the current year is estimated at Rs. 93·55 crores including Rs. 2·15 crores for "Coal Cess". The shortfall of Rs. 3·23 crores from the original budget anticipated under tobacco, tea and cloth is largely due, in respect of tobacco, to the general slump in the tobacco trade and in respect of tea, to the immediate and inevitable effects of the tariff changes introduced in April, 1953, whereby the duty on loose tea was reduced to 1 anna a lb., and a duty of 4 annas a lb. imposed on package tea. The fall in revenue under cloth is partly due to the reduction in the duty on superfine cloth from 3¼ annas to 2 annas a yard in October 1953 and partly to the lesser off-take of the fine variety.

The short-fall under tobacco, tea and cloth is likely to be offset almost entirely by increased realisations under sugar due to the continuance, upto the end of October 1953, of the special additional duty of Rs. 1-6-0 per cwt. under the sugar (Temporary additional Excise duty) Act 1952.

The estimates for the next year have been placed at Rs. 103·3 crores including Rs. 2·2 crores for "Coal Cess". The estimates allow for an additional revenue of Rs. 10·70 crores from the enhanced duties on cotton cloth and the new duties on artificial silk fabrics, cement, soap and footwear.

These estimates include Rs. 6·57 crores in the current year and Rs. 5·70 crores next year on account of the special cess on mill made cloth. The proceeds of this cess are transferred to an *ad hoc* fund for the development of Khadi and Handloom industries and provision for this purpose has been made in the expenditure budget under Demand No. "2-Industries".

Under the provisions of the Union Duties of Excise (Distribution) Act, 1953, forty per cent of the net proceeds from excise duties on matches, tobacco and vegetable products, after allowing for the cost of collection,

are paid to the State Governments. This share is distributed among the States as follows: —

State	*Per cent.*
Assam	2.61
Bihar	11.60
Bombay	10.37
Hyderabad	5.39
Madhya Bharat	2.29
Madhya Pradesh	6.13
Madras	16.44
Mysore	2.62
Orissa	4.22
Pepsu	1.00
Punjab	3.66
Rajasthan	4.41
Saurashtra	1.19
Travancore-Cochin	2.68
Uttar Pradesh	18.23
West Bengal	7.16

The share allocable to States is estimated at Rs. 16·63 crores this year after allowing for over payments made last year and at Rs. 17·42 crores next year. The shares of Mysore, Saurashtra and Travancore-Cochin Governments aggregating Rs. 1·08 crores this year and Rs. 1·13 crores next year will, however, be set off against the revenue gap grants which they are getting under the scheme of federal financial integration as these grants exceed their shares of divisible Central taxes. Allowing for this reduction, the net additional payment to the States on account of the excise duties will amount to Rs. 15·55 crores this year and Rs. 16·29 crores next year. These payments are being provided on the expenditure side under Demand No. 28—Union Excise Duties.

The above estimates include Rs. 100 lakhs each year on account of the Coal Mines Labour Welfare Cess and Rs. 115 lakhs this year and Rs. 120 lakhs next year on account of the Coal Mines Safety and Conservation Cess. The revenue from these cesses does not accrue to Government; the Labour Welfare Cess is transferred to an *ad hoc* fund and the Coal Mines Safety and Conservation Cess is paid to the Coal Board and provision for both these payments is made in the Expenditure Estimates.

Taxes on Income including Corporation Tax.—Broad details of revenue are—

	1952-53 Account	1953-54 Budget	1953-54 Revised	1954-55 Budget
Corporation Tax—				
Ordinary Collections	43,18	35,46	36,70	37,60
Surcharge	2	1	..	..
Excess Profits Tax	—45	85	1,10	50
Business Profits Tax	1,05	30	60	25
	43,80	36,62	38,40	38,35
Taxes on Income other than Corporation Tax—				
Ordinary Collections	1,34,63	1,16,21	1,20,30	1,20,70
Surcharge	6,09	4,74	5,00	4,95
Excess Profits Tax	48	1,40	1,00	75
Business Profits Tax	23	21	30	25
	1,41,43	1,22,56	1,26,60	1,26,65

While Corporation Tax accrues in its entirety to the Centre, the net proceeds of income-tax, except the tax attributable to Central emoluments and Centrally administered areas and any Central surcharge, are divisible betwe n the Centre and the Parts A and B States excluding Jammu and Kashmir. Fifty-five per cent of the net proceeds of such income-tax is distributed among the various States as follows:

State	*Per cent.*
Assam	2.25
Bihar	9.75
Bombay	17.50
Hyderabad	4.50
Madhya Bharat	1.75
Madhya Pradesh	5.25
Madras	15.25
Mysore	2.25
Orissa	3.50
Pepsu	0.75
Punjab	3.25
Rajasthan	3.50
Saurashtra	1.00
Travancore-Cochin	2.50
Uttar Pradesh	15.75
West Bengal	11.25

The share of income-tax revenue payable to the States has been worked out as follows:—

	Budget 1953-54	Revised 1953-54	Budget 1954-55
Total taxes on income other than Corporation Tax excluding Central surcharge and advance payments	1,03,16	1,08,30	1,08,45
Deduct—Portion attributable to Central emoluments	—2,41	—2,08	—2,08
Deduct—Portion attributable to Part C States and miscellaneous receipts	—2,70	—2,85	—2,85
Deduct—Share of cost of collection	—2,59	—2,50	—2,80
Net divisible pool	95,46	1,00,87	1,00,72
Amount payable to States	52,50	55,48	55,40
Add estimated arrears of previous years payable to States	5,00	5,00	4,00
	57,50	60,48	59,40

As stated earlier, the shares allocable to Mysore, Saurashtra and Travancore-Cochin (Rs. 3·19 crores this year and Rs. 3·42 crores next year) will be set off against the revenue gap grants which these States are getting under the scheme of federal financial integration.

The net share of income-tax payable to States will thus amount to Rs. 57·29 crores for 1953-54 and Rs. 55·98 crores for 1954-55.

Estate Duty.—The Estate Duty Act came into force from the 15th October 1953. Machinery for administering the Act is being set up and some revenue will be realised from the coming financial year. It is however difficult to frame any accurate estimate of the yield at this stage and a figure of Rs. 4 crores has been adopted for the budget next year. Except for a sum of about Rs. 25 lakhs representing the cost of collection, and shares of Part 'C' States, the entire collections will be assigned to the States.

Opium.—The details of opium revenue are as follows:—

STATEMENT IV

	1952-53 Account	1953-54 Budget	1953-54 Revised	1954-55 Budget
Sale in India—				
Sale of Raw Opium to State Governments	58.24	62.00	56.50	57.15
Sale of medical opium	1.50	1.50	2.00	2.00
Sale of alkaloids of opium	8.31	6.70	8.34	8.50
Sale to countries outside India—				
Sale of Raw Opium	138.57	125.00	135.89	113.14
Sale of alkaloids of opium	4.53	4.00	3 50	3.50
Miscellaneous	6.23	1.00	.92	·90
TOTAL	218·38	200.20	207.15	185.19
Deduct—Refunds		·*20*	·*15*	·*19*
Net Revenue	218.38	200.00	207.00	185.00

***Interest Receipts*:**

	1953-54 Budget	1953-54 Revised	1954-55 Budget
India	2,69	2,43	2,45
England	36	35	33
TOTAL	3,05	2,78	2,78

The receipts in India are mostly on account of loans and advances made by the Central Government to Government servants, local bodies and private concerns, while those in England represent mainly the interest portion of the receipts from the Government of the United Kingdom in connection with the funding of liabilities for Railway annuities. The estimates are based on the trend of actuals and the latest information available.

Civil Administration.—The revenue is distributed over a number of heads the most important of which is Industries and Supplies which accounts for Rs. 5·89 crores this year and Rs. 5·69 crores next year. The decrease both this year and the next is due to the abolition of surcharge on coal.

Currency and Mint.—The main items that comprise Currency and Mint receipts are:—

STATEMENT V

	1953-54 Budget	1953-54 Revised	1954-55 Budget
(1) Surplus profits of the Reserve Bank	12,50.00	12,50.00	17,50.00
(2) Profits from circulation of bronze and nickel coins	1,31.50	1,27.05	1,28.48
(3) Other Items	1,87.58	1,64.36	1,63.71
TOTAL	15,69.08	15,41.41	20,42.19

Surplus profits of the Reserve Bank next year have been assumed at Rs. 17·5 crores against the current year's figure of Rs. 12·5 crores as with the creation of larger *ad hoc* Central Treasury Bills to finance the Development Schemes in the Five Year Plan the Bank's earnings on its holdings of such Treasury Bills are likely to be larger than in the current year.

Details of the receipts included in item (3) are given below:—

	1953-54 Budget	1953-54 Revised	1954-55 Budget
Value of one rupee note forms	49.42	44.15	42.40
Other receipts from the Currency Note Press	1,27.03	1,07.68	1,10.94
Value of unclaimed currency notes, etc.	1.41	1.26	1.10
Miscellaneous Mint receipts	9.72	11.27	9.27
TOTAL	1,87.58	1,64.36	1,63.71

Other Sources of Revenue.—The principal heads that come under this description are Land Revenue, State Excise Duties, Stamps, Forest, Registration, Taxes on Motor Vehicles and Other Taxes, Superannuation, Stationery and Printing, Miscellaneous and Extraordinary Receipts. Details by the major heads are:—

	1953-54 Budget	1953-54 Revised	1954-55 Budget
Land Revenue	51	52	53
State Excise Duties	17	16	15
Stamps	1,35	1,44	1,45
Forest	1,17	95	1,11
Registration	2	2	2
Receipts under Motor Vehicles Act	5	5	5
Other Taxes and Duties	6	6	7
Receipts in aid of superannuation	9	11	9
Stationery and Printing	85	47	45
Receipts from Road Transport Schemes	—1	..	1
Miscellaneous	4,43	6,91	3,98
Extraordinary Receipts	18,47	..	10.22
TOTAL	27,16	10,69	18,13

The original budget took a credit of Rs. 18 crores as the first 2 annual instalments of Pakistan's debt repayment to India. No settlement on outstanding financial issues between India and Pakistan has been reached so far but discussions are proceeding and it is hoped that Pakistan will commence payment from next year. A credit of Rs. 9 crores has accordingly been taken in the next year's budget.

Posts and Telegraphs.—The table below indicates how the net contribution of Rs. 201·94 lakhs this year, and Rs. 150·00 lakhs next year has been arrived at:—

	1953-54 Budget	1953-54 Revised	1954-55 Budget
Gross Receipts	44,12.00	44,12·00	45,66·00
Working Expenses	40,17.13	44,37·11	42,18·79
NET RECEIPTS	3,94.87	3,74·89	3,47·21
Interest	1,64.38	1,72 95	1,97·21
NET REVENUE	2,30.49	2,01·94	1,50·00

The broad details of the gross receipts are given below:—

	1953-54 Budget	1953-54 Revised	1954-55 Budget
Postage and Message Revenue—			
Sale of Stamps	24,35.00	23,86.65	24,44.65
Postal Receipts	2,22.80	2,41·20	2,47.10
Telegraph (including Radio) Receipts	1,76.85	1,87.15	1,91.30
TOTAL	28,34.65	28,15.00	28,83.05
Miscellaneous Revenue—			
Interest on Renewals Reserve Fund and fees and other receipts	21.67	25.38	21.53
Postal Receipts (Receipts on account of Money Orders, etc.)	3,97.23	3,70.08	3,81.48
Telegraph (including Radio) Receipts (Rent of wires, instruments, etc.)	61.20	67.40	63.40
Telephone Receipts (Rent of telephones, telephone call fees, etc.)	10,97.25	11,34.14	12,16.54
TOTAL	15,77.35	15,97.00	16,82.95
TOTAL REVENUE RECEIPTS	44,12.00	44,12·00	45,66.00

Details of expenditure are given in Statement X.

Railways.—The dividend payable by Railways to General Revenues at 4 per cent. on the capital at charge of Railways, other than on unremunerative strategic lines, is estimated at Rs. 34·46 crores this year and Rs. 35·5 crores next year. Of this Rs. 26·96 crores this year and Rs. 28·13 crores next year have been taken in reduction of expenditure under 'Interest' and the balance of Rs. 7·5 crores this year and Rs. 7·37 crores next year have been treated as contribution to revenue.

EXPENDITURE ESTIMATES

The Budget for 1953-54 provided for a total gross expenditure of Rs. 573.70 crores met out of Revenue. It is now estimated that expenditure during the current year would amount to Rs. 568.04 crores. The total gross expenditure during the coming year 1954-55 is estimated at Rs. 625.32 crores.

As explained in para 6 of the Introductory Note the demands are for the actual expenditure exclusive of recoveries taken in the accounts in reduction of expenditure. A broad reconciliation of the gross expenditure and the net amount shown in the annual financial satement is given below:—

(In thousands of Rupees).

	1953-54 Budget Estimate	1953-54 Revised Estimate	1954-55 Budget Estimate
Total gross expenditure met form Revenue as shown in the demands for grants . . .	5,73,69,78	5,68,03,88	6,25,32,35
Deduct—			
(*a*) Recoveries (shown in Annexure IX) adjustable in reduction of gross expenditure and taken into account in working out the net expenditure shown in Statement I . .	82,96,11	83,66,90	1,01,46,38
(*b*) Receipts of the Defence Services taken into account in working out the net expenditure on Defence Services shown in Statement I	9,95,94	11,29,99	10,85,92
(*c*) "Working Expenses" of commercial departments taken in reduction of gross revenue shown in Statement I—			
(*i*) Posts & Telegraphs	40,17,13	40,37,11	42,18,79
(*ii*) Irrigation Works	2,10	2,10	2,35
(*iii*) Road Transport schemes . . .	8,25	7,05	8,02
(*iv*) Electricity Schemes.	4,49	5,02	6,67
(*d*) Expenditure on interests payable by Posts and Telegraphs Department and included in working out the net earnings of that Department shown in Statement I . .	1,64,38	1,72,95	1,97,21
(*e*) Expenditure on drawbacks and *ex-gratia* refunds of Import and Union Excise Duties taken in reduction of gross revenue shown in Statement I	..	25,00	1,58,00
TOTAL—Deduction .	1,34,88,40	1,36,39,12	1,58,23,34
Total expenditure shown in Statement I of this Memorandum and on Page 3 of the "Budget of the Central Government" (annual financial statement)	4,38,81,38	4,30,64,76	4,67,09,01

Statement VI following shows the distribution of the total gross expenditure by the various Demands for Grants and Appropriations. As the expenditure shown in the annual financial statement is by major heads of account, Annexure IX to this Memorandum indicates how the estimated expenditure during the year 1954-55 under each major head is distributed over the various Demands for Grants and Appropriations.

STATEMENT VI

(In thousands of Rupees)

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1. Ministry of Commerce and Industry .	72,26	76,53	72,21
2. Industries	11,90,11	11,71,28	14,31,05
3. Commercial Intelligence and Statistics .	52,26	51,60	51,14
4. Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry	40,25	38,25	43,80
5. Ministry of Communications . . .	12,17	12,23	11,38
6. Indian Posts and Telegraphs Department .	45,64,95	45,73,82	48,49,64
7. Meteorology	1,08,97	1,02,59	1,14,56
8. Overseas Communications Service . .	95,06	90,88	98,56
9. Aviation	2,95,28	2,89,81	2,53,14
10. Miscellaneous Departments and Expenditure under the Ministry of Communications .	8,25	13,40	25,34
11. Ministry of Defence	26,10	25,43	27,39
12. Defence Services—Effective—Army . .	163,70,95	161,09,07	159,66,89
13. Defence Services—Effective—Navy . .	11,31,88	11,28,40	12,17,88
14. Defence Services—Effective—Air Force .	25,79,24	28,66,90	35,90,45
15. Defence Services—Non-effective charges .	15,66,95	15,59,24	15,71,87
16. Miscellaneous Expenditure under the Ministry of Defence	5,00	5,00	5,64
17. Ministry of Education	33,17	33,51	40,98
18. Archaeology	44,28	38,85	48,79
19. Other Scientific Departments . . .	1,91,82	1,98,90	2,18,76
20. Education	4,88,06	4,50,18	12,14,51
21. Miscellaneous Departments and Expenditure under the Ministry of Education . .	30,23	27,49	32,91
22. Tribal Areas	3,78,53	3,29,12	4,36,95
23. External Affairs	5,63,19	5,59,91	5,85,75
24. Chandernagore	23,27	22,94	22,00
25. Miscellaneous Expenditure under the Ministry of External Affairs	3,78	3,97	2,74
26. Ministry of Finance	1,44,36	1,34,22	1,56,21
27. Customs	3,37,49	3,65,41	4,19,03
28. Union Excise Duties	21,93,04	20,61,00	23,14,45
29. Taxes on Income including Corporation tax	3,40,83	3,32,71	3,72,83
30. Opium	2,93,47	2,69,31	1,95,07
31. Stamps	1,25,22	1,31,38	1,33,70
32. Payments to other Governments, Departments etc.	11,09	10,94	11,13
33. Audit	7,22,82	7,20,12	7,85,74
34. Currency	1,67,95	1,68,12	1,77,04
35. Mint	96,22	93,32	92,75
36. Territorial and Political Pensions . .	22,82	22,78	21,16
37. Superannuation Allowances and Pensions .	3,40,25	3,40,24	3,45,82
38. Miscellaneous Departments and Expenditure under the Ministry of Finance . . .	2,00,52	2,28,33	3,49,79

STATEMENT VI—*contd.*

(In thousands of Rupees)

	Budget, 1953-54	Revised, 1953-54	Budget, 1954 55
39. Grants-in-aid to States	26,34,89	26,32,37	32,44,90
40. Miscellaneous Adjustments between the Union and State Governments	1,76	3,35	2,76
41. Extraordinary Payments	22,92,11	14,14,32	23,09,21
42. Pre-partition Payments	1,95,00	1,94,99	1,36,00
Charged—Interest on Debt and other Obligations and Reduction or Avoidance of Debt	79,91,19	81,85,19	88,72,77
43. Ministry of Food and Agriculture . .	46,81	46,14	48,23
44. Forest	33,64	32,02	43,28
45. Agriculture	3,68,23	4,06,81	8,96,94
46. Civil Veterinary Services	36,94	33,58	39,03
47. Miscellaneous Department and Expenditure under the Ministry of Food and Agriculture	73,37	4,95,58	79,13
48. Ministry of Health	6,38	6,43	6,96
49. Medical Services	1,07,45	74,83	1,51,12
50. Public Health	1,15,08	95,29	6,34,01
51. Miscellaneous Expenditure under the Ministry of Health	76,35	29,86	77,37
52. Ministry of Home Affairs	1,28,11	1,24,21	1,56,39
53. Cabinet	23,87	24,66	25,94
54. Delhi (Central).	1,51,18	1,32,67	1,57,75
55. Police	69,13	99,85	1,03,24
56. Census	10,49	10,25	20,58
57. Miscellaneous Departments and Expenditure under the Ministry of Home Affairs . .	11,07	10,53	9,50
58. Andaman and Nicobar Islands . . .	1,75,95	1,63,16	1,96,95
59. Ministry of Information and Broadcasting .	1,02,64	1,16,80	1,38,92
60. Broadcasting	2,28,73	2,26,12	2,32,17
61. Ministry of Irrigation and Power . .	7,94	9,85	10,58
62. Irrigation (excluding Working expenses), Navigation, Embankment and Drainage works met from Revenue	20	20	30
63. Multipurpose River Schemes . . .	45,58	36,92	41,71
64. Miscellaneous Departments and Expenditure under the Ministry of Irrigation and Power	40,49	36,14	34,64
65. Ministry of Labour	29,22	28,68	31,63
66. Chief Inspector of Mines	8,90	8,70	9,52
67. Miscellaneous Departments and Expenditure under the Ministry of Labour . . .	3,17,91	2,77,99	3,24,95
68. Employment Exchanges and Resettlement .	1,35,82	1,33,07	1,29,25
69. Civil Defence	1,20	1,18	1,20
70. Ministry of Law	1,75,40	1,71,48	1,35,04
71. Administration of Justice	10,66	11,27	13,02
72. Ministry of Natural Resources and Scientific Research	7,25	7,11	7,98
73. Survey of India	1,04,27	1,10,10	1,43,79
74. Botanical Survey	2,68	2,71	6,93
75. Zoological Survey	4,36	3,85	4,49
76. Geological Survey	51,36	40,99	56,57

STATEMENT VI—*contd*.

(In thousands of Rupees)

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-5
77. Mines	21,43	19,25	26,01
78. Scientific Research	3,16,24	3,06,03	3,21,91
79. Miscellaneous Departments and Expenditure under the Ministry of Natural Resources & Scientific Research	15	15	15
80. Department of Parliamentary Affairs . .	1,21	1,21	1,34
81. Ministry of Production	7,47	7,02	8,41
82. Salt	1,28,84	1,22,72	1,38,17
83. Other Organisations of the Ministry of Production	1,18,01	1,17,56	1,29,90
84. Miscellaneous Departments and Expenditure under the Ministry of Production	1,84,34	1,27,40	2,02,99
85. Ministry of Rehabilitation	19,80	19,75	20,10
86. Expenditure on Displaced Persons . . .	12,67,50	12,67,78	10,23,51
87. Miscellaneous Expenditure under the Ministry of Rehabilitation	39	39	30
88. Ministry of States	11,60	11,19	11,72
89. Privy Purses and Allowances of Indian Rulers .	5,40,84	5,64,89	5,43,38
90. Kutch	1,11,09	1,06,49	1,16,97
91. Bilaspur	25,56	24,69	37,80
92. Manipur	63,48	58,92	82,71
93. Tripura	1,21,33	1,22,20	1,31,97
94. Relations with States	62,13	60,98	58,20
95. Miscellaneous Expenditure under the Ministry of States	59,63	1,49,63	1,03,48
96. Ministry of Transport	31,07	31,46	40,05
97. Ports and Pilotage	62,45	54,60	62,39
98. Lighthouses and Lightships	79,67	48,27	79,89
99. Central Road Fund	4,91,26	4,89,59	4,62,52
100. Communications (including National Highways)	4,72,44	4,71,44	4,88,85
101. Miscellaneous Expenditure under the Ministry of Transport	4,37	4,40	6,57
102. Ministry of Works, Housing and Supply . .	21,80	21,46	17,42
103. Supplies	2,75,64	2,32,39	2,97,03
104. Other Civil Works	14,98,42	15,41,41	15,48,98
105. Stationery and Printing	4,93,48	5,61,34	5,27,27
106. Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply .	46,41	40,40	55,56
107. Parliament	98,87	83,82	1,03,43
108. Miscellaneous Expenditure under the Parliament Secretariat	29	29	30
109. Secretariat of the Vice President . . .	83	60	83
Charged—Staff, Household and Allowances of the President	15,34	15,49	16,22
Charged—Union Public Service Commission .	20,70	22,24	22,22
TOTAL . .	5,73,69,78	5,68,03,88	6,25,32,35

NOTES ON EXPENDITURE ESTIMATES

Details of provision included in the various Demands and Appropriations both by sub heads and by circles of account are given in the Book of Demands (Vol I and II) and in the Demands for Grants relating to the Defence Services and the Posts and Telegraphs Department. In the following notes in this Section, mention has been made of the more important reasons for the variations between the budget and revised estimate for the current year and between the revised estimate for the current year and the budget estimate for the next year under the various Demands for Grants and Appropriations.

Unless otherwise stated, all figures quoted hereafter in this Section are in thousands of Rupees.

Ministry of Commerce and Industry:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
72,26	76,53	72,21

The increase is mainly due to additional expenditure on publication of journals and bulletins, deputation of officers abroad and other miscellaneous items. The decrease next year is mainly due to the reorganisation of the Foreign Trade Control.

Industries:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
11,90,11	11,71,28	14,31,05

The saving in the revised is mainly due to economy in the Textile Commissioner's Organisation (Rs. 4·4 lakhs) as a result of the relaxation of controls on textiles, non-utilisation of the provision of Rs. 100 lakhs made in respect of the development of Tea, Coffee and Rubber as the necessary amendments to the Acts governing these bodies so as to bring their account under parliamentary control could not be enacted during the year and saving of rupees 35 lakhs in the lump provision for development of Cottage and Small Scale industries. This was off-set by increased expenditure on the development of handloom industry (Rs. 110 lakhs), development of Khadi Industry (Rs. 38 lakhs), grant to the Central Silk Board (Rs. 11·5 lakhs) and subsidy to the Soda ash industry (Rs. 2·10 lakhs). Next budget contemplates additional expenditure of Rs. 198 lakhs on development of Khadi, Handloom, and Cottage and Small Scale industries. Provision has also been included in the next budget for expenditure on the development of Tea, Coffee and Rubber industries as it is expected that the necessary amendments to the relevant Acts would be enacted soon so as to bring the receipts and expenditure of the autonomous bodies under parliamentary control. The increase in the amount to be transferred to the Fund for the development of Handloom and Khadi industries is counterbalanced by a corresponding credit taken to Revenue.

Commercial Intelligence and Statistics:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
52,26	51,60	51,14

The decrease in the revised is mainly on account of saving in the Directorate of Commercial Intelligence and Statistics and of the Economic Adviser to the Government of India.

Miscellaneous Departments and expenditure under the Ministry of Commerce and Industry:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
40,25	38,25	43,80

The saving this year is due to the late constitution of the Forward Markets Commission and less expenditure on participation in exhibitions abroad, partly counter-balanced by expenditure on certain newly constituted Committees and Jute Enquiry Commission—a post-budget creation. The increase next year is due to provision for additional staff for the Tariff Commission and Forward Markets Commission and greater participation in exhibitions abroad to popularise Indian goods in foreign markets.

Ministry of Communications:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
12,17	12,23	11,38

The decrease next year is mainly due to transfer of the provision for the Wireless Planning and Co-ordination Organisation to Demand No. 10-"Miscellaneous Departments and Expenditure under the Ministry of Communications", partly off-set by provision for the Compensation Tribunal and Air Transport Council.

Indian Posts and Telegraphs Department:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
45,64,95	45,73,82	48,49,64

An analysis of the expenditure included in this Department is shown in Statement X. The working of this Department is estimated to show a net profit of Rs. 202 lakhs this year and Rs. 150 lakhs next year.

Meteorology:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,08,97	1,02,59	1,14,56

The decrease in the revised is mainly due to non-implementation of 'Rawin' Scheme (Rs. 2·64 lakhs), less purchase of stores (Rs. 1 lakh) and less payment to the P. & T. Department for weather telegram charges (Rs. 2·8 lakhs). Budget next year includes provision for the entire complement of the staff and implementation of certain technical schemes including the 'Rawin' Scheme.

Overseas Communications Service:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
95,06	90,88	98,56

The saving in the revised is due to certain posts remaining vacant (Rs. 2·8 lakhs) and a reduction in the interest and depreciation charges

(Rs. 1·7 lakhs), partly off-set by an increase in expenditure on repairs and maintenance charges of plant and machinery. The increase next year is mostly due to provision for all the sanctioned posts and enhanced provision for interest and depreciation charges due to additional capital outlay anticipated next year.

Revenue from this service is estimated at Rs. 119 lakhs this year and Rs. 120 lakhs next year.

Aviation:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
2,95,28	2,89,50	2,53,14

The decrease in the revised is mainly due to some posts remaining vacant and less expenditure on maintenance works as a measure of economy (Rs. 6·71 lakhs) partly off-set by increase due to carry-over of the payment of subsidy to Bharat Airways (Rs. 1·5 lakhs) and payment to the Air India International on account of losses incurred by them during 1952—a post-budget decision. Further fall in provision next year is due to the decision not to grant subsidies to Air Transport Companies beyond 31st December, 1953 and absence of provision for payment to Air India International to make good their losses, partly counterbalanced by increase in provision for research and development.

Miscellaneous Departments and Expenditure under the Ministry of Communications:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
8,25	13,40	25,34

Additional provision (Rs. 5·15 lakhs) has been found necessary this year for the adjustment of the payment of contribution to the International Civil Aviation Organisation last year, debit in respect of which was not adjusted in the last year's account; the increase in the contribution to the International Tele-Communication Union accounts for the balance of the excess. The increase next year is mainly due to the transfer of the provision for the Wireless Planning and Co-ordination Organisation to this Demand from Demand No. 5—Ministry of Communications (Rs. 12 lakhs), payment of contribution to the World Meteorological Organisation for the next two years in accordance with the revised procedure (Rs. ·45 lakhs) and a provision of Rs. 5 lakhs for payment of contribution to the Air Corporations under the provisions of section 34(2) of the Air Companies Act, 1953.

Ministry of Defence:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
26,10	25,43	27,39

The saving this year is due to transfer of some staff to the Air Force Headquarters, partly off-set by creation of additional posts to cope with the increase in work. Increase next year is on account of provision for the extra staff for the full year.

Defence Services:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
2,16,49,02	2,16,63,61	2,23,47,09

The sub-heads of the Demand give broad details of the expenditure and fuller details are given in a separate memorandum circulated with the budget papers. The budget for next year stands at Rs. 223 crores. In addition Rs. 10·36 crores have been provided in the revised estimate this year and Rs. 17·75 crores in the budget estimates next year for capital expenditure.

Ministry of Education:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
33,17	33,51	40,98

The saving this year due to non-implementation of certain items of UNESCO Programmchas been off-set by increased provision for extra staff in the Ministry. Increase next year is due to provision for extra staff, equipment for the Archives Directorate, provision for implementation of the recommendations made by the Indian National Committee for UNESCO and expenditure for the participation in the UNESCO Conference to be held in South America.

Archaeology:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
44,28	38,85	48,79

The saving in the revised is mainly on account of non-utilisation of the provision for expenditure in Part B States. The increase next year is due to the creation of two additional circles and larger outlay on conservation of ancient monuments.

Other Scientific Departments:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,91,82	1,98,90	2,18,76

The important items included in this Demand are given below:

(In lakhs of Rs.)

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
Anthropological Survey	7,13	6,05	8,38
Engineering & Technical Institutions	44,20	51,85	22,00
Grants to Universities and Institutions for development of Scientific and Technical Research	88,00	88,00	1,30,00
Indian Institute of Science, Bangalore	31,35	31,85	32,92
National Museum	3,00	3,00	2,50
Research Training Scholarships	8,00	8,00	10,80
Practical Training Stipends	9,00	9,00	8,00
Grants to Central Museum, Calcutta	1,14	1,15	1,16
Grant to Industrial Research Workers for Fundamental Research	..	..	3,00
TOTAL	1,91,82	1,98,90	2,18,76

The increase in the revised is mainly due to grants to the College of Engineering and Technology, Jadavpur, (Rs. 3.9 lakhs), Victoria Jubilee Technical Institute, Bombay (Rs. 3 lakhs) and Laxmi Narayan Institute of Technology, Nagpur (Rs. .7 lakhs). The increase in next year's provision is due to larger grants to Universities and Institutions as envisaged in the Five Year Plan and grants to Industrial Research workers for Fundamental Research, partly off-set by saving in grants to Engineering and Technological Institutions in respect of which most of the non-recurring grants have been paid.

Education:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
4,88,06	4,50,08	12,14,51

This Demand provides for expenditure, among other items, on grants to the Central Universities at Delhi, Banaras, Aligarh and Shantiniketan development grants to other Universities, grants to Jamia Millia, Delhi, Lawrence Schools at Sanawar and Lovedale grants to educational and cultural organisations, Basic and Social Education under the Five Year Plan, Youth Welfare and Physical Education, propagation of Hindi, development of cultural activities, the three National Academies of Arts, Letters and Dance, Drama and Music, scholarships to Scheduled Castes, Scheduled Tribes and other Backward classes, scholarships to Indian and indigenous students from Asia, Africa and other Commonwealth countries for studies in India, and expenditure on the Delhi Polytechnic, the Indian Institute of Technology, Kharagpur, the Central Institute of Education, Delhi, and Education Departments attached to Indian Missions abroad. Broad details of these items are given in Annexure VI.

The decrease in the current year is due to non-utilisation of the provision for Basic and Social Education in full, partly off-set by extra expenditure (Rs. 25 lakhs) on scholarships to scheduled castes, scheduled tribes and other backward classes and increase in grants to Universities (Rs. 20.7 lakhs). The large increase next year is mainly due to the provision of Rs. 8 crores for basic, secondary and social education under the Five Year Plan (as against Rs. 2 crores in the current year). This provision is intended to cover *inter alia* schemes for the relief of the educated unemployed and implementation of the recommendations of the Secondary

Education Commission. Next year's provision includes a sum of Rs. 74·5 lakhs for scholarships to scheduled castes, scheduled tribes and other backward classes.

Miscellaneous Departments and expenditure under the Ministry of Education:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
30,23	27,49	32,91

The decrease in the revised is mainly due to reduction with retrospective effect in India's contribution to UNESCO and consequent adjustment in this year's contribution. Budget next year includes provision for contribution to UNESCO at the revised rate, additional provision for acquisition of art objects (Rs. 2·5 lakhs), enhanced provision for grants to persons distinguished in Art, Literature, etc., who are in indigent circumstances and for extra staff for the National Library.

Tribal Areas:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
3,78,53	3,29,12	4,36,95

The expenditure provided in this Demand relates to the North East Frontier. Broad details of the provisions are given below:—

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
Assam Rifles	1,80,41	1,55,37	1,88,25
Buildings and Communications	15,00	13,16	6,85
Political and Administrative Charges	88,08	81,54	1,25,23
Other Expenditure	55,51	46,01	51,62
Scheme for Economic Development of Tribal Areas	39,53	33,04	65,00

The decrease in the revised is mainly due to saving as a result of slow progress in the implementation of the reorganisation of the Assam Rifles (Rs. 25 lakhs) and less expenditure on Economic Development Schemes and buildings. Increase next year is due to additional provision for the reorganisation of the Assam Rifles (Rs. 33 lakhs), expansion and extension of the administrative machinery (Rs. 44 lakhs) and implementation of essential development schemes (Rs. 32 lakhs).

External Affairs:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
5,63,19	5,59,91	5,85,75

Broad details of the provision are as under:—

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
Ministry of External Affairs	78,03	84,07	86,58
Embassies & Missions abroad	2,25,47	2,21,49	2,25,04
High Commissioners and Agents in Commonwealth Countries	65,44	68,87	67,01
Contributions to U.N.O.	65,48	65,48	72,00
Other miscellaneous expenditure	81,75	68,55	86,15
Charges in England	47,02	51,45	48,97
TOTAL	5,63,19	5,59,91	5,85,75

There has been an increase this year due to additional expenditure on new Missions (Rs. 7·45 lakhs), provision of local pay scales and extra expenditure on certain miscellaneous items in London (Rs. 4·15 lakhs), India's Delegation to the Neutral Nations Repatriation Commission (Rs. 2 lakhs) and payment of arrears of air-freight on diplomatic bags (Rs. 3 lakhs); but this is more than counterbalanced by savings under "Other Heads" particularly in the External Publicity Organisation, non-utilisation of the provision for the Foreign Service Inspectorate in full and non-appointment of the full complement of staff in certain Missions.

The increase next year is mainly due to enhanced contribution to the U.N.O. (Rs. 6·52 lakhs), payment of arrear contributions to State Governments for passport work (Rs. 6·94 lakhs), lump provision for the Central Passport Administration as a result of the decision to centralise passport administration (Rs. 6·34 lakhs), gift to Palestine refugees (Rs. 5 lakhs) and increased expenditure on development measures (Rs. 7·83 lakhs) partly counterbalanced by less expenditure on the organisation for recovery of abducted women and children (Rs. 3 lakhs), reduction in staff for the Visa offices at Dacca and Karachi (Rs. 4·85 lakhs) and expenditure on delegations to U.N. (Rs. 1 lakh).

Chandernagore:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
23,27	22,94	22,00

The decrease in both the revised and next year is due to less expenditure on "other charges" and reduced provision for elections and grant to Muncipalities.

Miscellaneous Expenditure under the Ministry of External Affairs:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
3,78	3,97	2,74

The decrease next year is due to reduction in expenditure on the Administration of the Scheme of assistance to evacuees from war zones and less expenditure on Burma Refugee Organisation.

Ministry of Finance:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,44,36	1,34,22	1,56,21

The saving this year is mainly due to the delay in the setting up of the Central Organisation for the Administration of the Indian Companies Act (Rs. 5 lakhs), non-utilisation of the provision (Rs. 3·5 lakhs) for conducting agricultural survey and for payment of arrears of pay in the National Sample Survey Directorate, and less expenditure (Rs. 2 lakhs) on account of certain posts remaining vacant. The increase next year is mainly due to expansion in the Ministry as a result of the levy of Estate Duty, provision for the Economic Research Directorate for the full year, and extra staff due to general increase in work. Provision for the National Sample Survey Directorate records also an increase of Rs. 9 lakhs on account of payment to the Indian Statistical Institute and for conducting certain agricultural and other surveys.

Customs:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
3,37,49	3,65,41	4,19,03

The increase this year is on account of provision (Rs. 25 lakhs) for drawbacks of duty on imported cotton used in the manufacture of fine and super fine cloth and yarn for export. Such drawbacks are treated as deduction from 'Revenue' in the accounts but as it has been decided that all such drawbacks and *ex-gratia* refunds should be brought to the notice of Parliament provision for them has been included here. The further increase next year is due to extra provision on this account (Rs. 33 lakhs) and additional provision for the payment to the Union Excise Department (Rs. 39 lakhs) for land customs work.

Union Excise:

Budget 1953-54	Revised, 1953-54	Budget, 1954-55
21,93,04	20,61,00	23,14,45

The revised estimate includes Rs. 15.55 crores for payment of share of net proceeds of the Union Excise Duties assigned to the States under the Finance Commission's Award. The reduction is due to adjustment of excess payments made last year and also to fall in the receipts of Excise Duty on tobacco. Next budget includes provision of Rs. 16.29 crores for the State's share.

Excluding this item there is a decrease of Rs. 38 lakhs which is mainly due to non-utilisation of the provision for the purchase of launches and other equipment as part of the anti-smuggling measures, partly off-set by an increase of Rs. 3 lakhs in the cost of printing of match banderols and Union Excise Stamps and reorganisation of the Delhi and Nagpur Collectorates.

The increase next year is due to provision for the purchase of launches etc., which could not be purchased in the current year, increased provision for staff for strengthening the land customs frontiers around Pondicherry and Karaikal, provision for anticipated expenditure for preventive arrangements on the West Pakistan frontier consequent on the proposed reopening of through rail traffic between India and Pakistan and extra staff for the Calcutta Collectorate for work in connection with the Excise Duty on "Package Tea". Provision of Rs. 1 crore has also been made in the next budget for drawbacks and *ex-gratia* payments of Excise Duty; this is treated as deduction from Revenue in the accounts and should now be treated as expenditure for purposes of Parliament vote.

Taxes on Income including Corporation Tax and Estate Duty:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
3,40,83	3,32,71	3,72,83

The saving in the revised is mainly due to non-utilisation of the provision for tax collection in full. Increase next year is due to provision for additional staff for collection of Estate Duty (Rs. 14 lakhs) and expansion of the Income-tax Department (Rs. 22 lakhs).

Opium:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
2,93,47	2,69,31	1,95,07

The reduction in the current year is mainly due to less outturn of opium in U.P., Rajasthan. Madhya Bharat (Rs. 19 lakhs) and reduced expenditure on purchase of stores and machinery for the Ghazipur Opium Factory (Rs. 3 lakhs). Further decrease next year is due to lower anticipated yield of opium.

Stamps:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,25,22	1,31,38	1,33,70

Excess this year is due to increased consumption of paper to meet the unforeseen increase in the demand for press products, such as, post cards, banderols and inland letters and also to execute new jobs like printing of U.P. Zamindari Abolition Compensation Bonds and Rehabilitation Grant Bonds. The increase next year is mainly due to additional provision for stores.

The Security Press being a commercial department, increase in the expenditure will result in increased revenue from the sale of its products.

Audit:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
7,22,82	7,20,12	7,85,74

The decrease this year is mainly due to savings on account of some posts remaining vacant and delay in recruitment of probationers and apprentices, partly off-set by additional expenditure on the formation of a separate Audit Office for the Andhra State. The increase next year is mainly due to the reorganisation and expansion of the Commercial Audit Wing due to increase in the number of commercial undertakings of Central and State Governments, expansion of the Department consequent on the increased activities of the various Governments under the Five Year Plan.

Currency:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,67,95	1,68,12	1,77,04

The increase in the revised is mainly due to extra expenditure on payment of Customs Duty on the press consignments, additional provision required for interest and depreciation charges due to larger capital expenditure towards the close of last year and payment to the Hyderabad State and Hyderabad State Bank for services rendered in connection with the management of the state currency. Further increase next year is due mainly to the decision to defer demonetisation necessitating continuance of the currency section at Hyderabad.

Mint:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
96,22	93,32	92,75

The provision in this Demand relates to the expenditure on the Government Mints at Bombay, Calcutta and Hyderabad. The saving in the revised is due to less purchase of stores (Rs. 2·7 lakhs), less expenditure on operative establishment, partly off-set by larger outlay on works.

Territorial and Political Pensions:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
22,82	22,78	21,16

This Demand accommodates the territorial and political pensions which used to be included in the Crown Representative's Budget before Independence.

Superannuation Allowances and pensions:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
3,40,25	3,40,24	3,45,82

Provision next year is based on the trend of actuals and anticipated retirements next year.

Miscellaneous Departments and Expenditure under the Ministry of Finance:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
2,00,52	2,28,33	3,49,79

Important items for which provision has been made are shown below:

(In lakhs of rupees)

Joint Stock Companies	5·87	6·06	6·10
Controller of Insurance	8·00	6·60	8·12
Grants-in-aid	8·80	9·55	10·71
Planning Commission	16·44	18·50	21·76
Research Programme Committee	...	2·00	20·00
Contributions	2·00	2·50	1·50
Small Savings Scheme	16·12	15·74	18·14
Service charges in connection with the purchase of dollars from the International Monetary Fund	89·73	89·73	50·75
Industrial Finance Corporation	2·00	...	7·00
Contribution to U. N. O.	...	...	14·34
Expenditure on Technical aid to South-East Asia	28·50	28·50	17·14
Expenditure on Economic aid to South-East Asia	...	...	80·00
Local living cost of U. N. Experts	...	...	13·60
Community Project Administration	5·25	10·77	7·46
Nilokheri Camp	5·19	5·60	...
Programme Evaluation Organisation	6·80	5·31	6·86
Taxation Enquiry Commission	5·00	9·14	6·60
Social Education Organisers Training Scheme	...	6·65	7·28
Seminars	...	·60	·80
Company Law and Investment Administration	...	...	6·90
Training of staff for Community Project and National Extension Services	...	...	4·08
Other items	·82	11·08	40·65
TOTAL	200·52	228·33	349·79

The increase in the revised is mainly due to extra provision for the Taxation Enquiry Commission, setting up of Research Programme Committee under the Planning Commission, and additional provision for the Community Projects Administration and Social Education Organisers' Training Scheme. The last mentioned item forms part of the Community Development Programme and a major portion of the cost is recoverable from the Ford Foundation. Similarly the expenditure on the Community Development Projects is partly met out of the Aid from the Technical Co-operation Administration. The expenditure under Programme Evaluation Organisation is also recoverable from the Ford Foundation. The revised also includes provision of Rs. 9·8 lakhs for anticipated loss on the withdrawal and demonetisation of local currency in Part 'B' States and for payment of a grant of Rs. 50,000 to the Bharat Sewak Samaj.

The increase next year is mainly due to additional provision for the Planning Commission and the Research Programme Committee, for Economic Aid to South-East Asia, contribution to the U.N.O., local living cost of U.N. Experts and a number of items, provision for which has been included in this Demand for the first time. Additional provision for the Planning Commission is made up of the grant to the Bharat Sewak Samaj (Rs. 1 lakh) and expansion of the Commission itself. Provision for the Company Law Administration has been transferred to this Demand from Demand No. 26—Ministry of Finance from next year. The provision in respect of U.N. Experts represents also a transfer to this Demand of expenditure previously dispersed among the Demands of the Ministries concerned. It has been decided to centralise this item in one Demand as a result of the change in the procedure for payments, and debit the respective Ministries of their share for services rendered by the Experts. A provision of Rs. 39 lakhs has been included under "Other Items" on account of loss in exchange—an accounting adjustment. A sum of Rs. 7 lakhs is being provided next year to meet a likely demand for Subvention for the Industrial Finance Corporation.

Grants-in-aid to States:

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
	26,34,89	26,32,37	32,44,90
Grants under the Constitution:			
Under Art. 273	3,15,00	3,15,00	3,15,00
Under Art. 275 (1)	6,55,00	6,55,00	7,05,00
Under provisos to Art. 275 (1)	2,35,00	2,46,48	3,56,00
Under Art. 278	9,00,00	9,04,96	9,00,00
Other Grants:			
Part C States	5,29,89	5,10,93	6,08,90
Jammu and Kashmir	...	...	3,60,00
TOTAL	26,34,89	26,32,37	32,44,90

This Demand accommodates grants payable to States under Articles 273, 275 and 278 of the Constitution and also the grants payable to the Part C States having their own Consolidated Fund to meet their revenue deficit and to meet the expenditure on the welfare of Scheduled Tribes and development of Scheduled Areas in these States.

The amounts of grants payable under Article 273 and the substantive provision of Article 275 (I) of the Constitution are based on the recommendations of the Finance Commission. A provision of Rs. 360 lakhs has also been made for possible grants to Jammu and Kashmir next year in the event of the financial integration of the State with the Union of India.

Details of the amounts payable to the various States are given below:—

Grants-in-aid under Article 273:

	Budget, 1953-54	Revised 1953-54	Budget, 1954-55
West Bengalal	1,50,00	1,50,00	1,50,00
Bihar	75,00	75,00	75,00
Assam	75,00	75,00	75,00
Orissa	15,00	15,00	15,00
TOTAL	3,15,00	3,15,00	8,15,00

Grants-in-aid under the substantive provision of Article 275(1):

	Budget, 1953-54	Revised 1953-44	Budget, 1954-55
West Bengal	80,00	80,00	80,00
Punjab	1,39,00	139,00	1,44,00
Bihar	41,00	41,00	55,00
Madhya Pradesh	25,00	25,00	33,00
Assam	1,00,00	1,00,00	1,00,00
Orissa	91,00	91,00	97,00
Hyderabad	20,00	20,00	27,00
Mysore	40,00	40,00	40,00
Rajasthan	20,00	20,00	26,00
Madhya Bharat	9,00	9,00	12,00
Travancore-Cochin	45,00	45,00	45,00
Saurashtra	40,00	40,00	40,00
P.E.P.S.U.	5,00	5,00	6,00
TOTAL	6,55,00	6,55,00	7,05,00

Grants under the provisos to Article 275(1):

Bombay	12,00	12,00	20,00
Madras	9,50	9,50	3,00
Andhra	...	...	12,00
West Bengal	10,00	10,00	12,50
Madhya Pradesh	19,00	20,00	28,00
Punjab	6,00	6,00	8,50
Bihar	21,00	21,98	30,00
Orissa	24,50	21,75	36,00
Assam	1,10,00	1,23,00	1,72,25
Madhya Bharat	7,00	7,00	10,00
Travancore-Cochin	1,00	50	1,00
Mysore	1,00	1,00	1,25
Hyderabad	5,00	4,02	7,00
Rajasthan	8,00	8,73	13,00
Saurashtra	1,00	1,00	1,50
TOTAL	2,35,00	2,46,48	3,56,00

A sum of Rs. 40 lakhs has been included in the current and next years' estimates on account of the grant payable to the Government of Assam under sub-clause (a) of the second proviso to Article 275(1) of the Constitution. As the payment contemplated by this sub-clause was not capable of being directly derived from the accounts, the sum to be paid has been arrived at by agreement between the Governments of India and Assam and the Comptroller and Auditor General of India informed.

A provision of Rs. 108·25 lakhs has also been made in the next year for grants to Assam under sub-clause (b) of the second proviso to Article 275(1) of the Constitution.

Grants-in-aid under Article 278 for revenue gap:

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
Mysore	3,45,00	3,49,96	3,45,00
Travancore-Cochin	2,80,00	2,80,00	2,80,00
Saurashtra	2,75,00	2,75,00	2,75,00
TOTAL	9,00,00	9,04,96	9,00,00

Other Grants:

Grants-in-aid to Part C States having separate Consolidated Funds:

(a) To meet revenue deficit.

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
Delhi	28,39	14	12,90
Ajmer	1,10,00	1,15,00	1,36,00
Vindhya Pradesh	1,70,00	1,46,00	1,77,00
Himachal Pradesh	95,00	1,00,00	1,20,00
Bhopal	1,12,00	1,24,00	1,46,00
TOTAL	5,15,39	4,99,20	5,91,50

(b) For welfare of Scheduled Tribes and development of Scheduled Areas:

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
Ajmer	3,50	3,05	4,00
Bhopal	3,50	1,20	4,00
Vindhya Pradesh	6,50	6,48	7,00
Himachal Pradesh	50	50	1,00
Coorg	50	50	1,00
TOTAL	14,50	11,73	17,00
TOTAL.—GRANTS TO PART C STATES	5,2[illegible],[illegible]9	5,10,93	6,08,90
Grant to Jammu and Kashmir	.	...	3,60,00

Extraordinary Payments:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
22,92,11	14,14,32	23,09,21

Broad details of the items included in this Demand are given below—

(In lakhs of rupees)

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1. Assistance to States towards emergent relief expenditure due to natural calamities and scarcity affected areas	1,00	1,50	2,00
2. Community Development Projects	6,33	2,80	7,50
3. Resettlement of landless workers	25	..	15
4. Grants for training of village level workers	..	30	58
5. National Extension services	50	82	4,70
6. Grants for local works	3,00	1,90	..
7. Grants to States for G.M.F. Schemes	4,73	3,50	4,50
8. Grants for Cooperative training and experiment	15	..	15
9. Grants for industrial housing	4,00	1,20	..
10. Grants for Social Welfare	25	25	1,50
11. Grants for Youth Camps and labour services	20	10	..
12. Grants for soil conservation	15	15	25
13. Grants for Welfare of backward classes	1,00	77	1,25
14. Grants to Part B States for development under the F.F.I. Agreement	1,36	85	51
TOTAL	22,92	14,14	23,09

In the current year there has been a saving in almost all the items detailed above due to slow progress of the schemes. The increase in item I is to meet certain commitments accepted by the Centre under the general policy of meeting 50 per cent of expenditure on gratuitous and similar relief incurred by States in scarcity and flood affected areas.

A contingent provision of Rs. 2 crores has been included in the next year in respect of item (1). The increase in all the other items is due to larger expenditure on them during the remaining years of the Plan. Provision for Youth Camps and labour services stands included in the Demand No. "20—Education" next year. For reasons explained in the budget speech provision for grant for local works and industrial housing schemes has been provided for under Capital, in consultation with the Comptroller and Auditor General which will be written off to Revenue over a period of fifteen years.

A portion of the expenditure provided in this Demand amounting to Rs. 67 lakhs this year and Rs. 86 lakhs in the next year will be met out of the Special Development Fund created with the assistance received from United States of America for Community Development Projects under the T.C.A. Programme.

Pre-partition payments:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,95,00	1,94,99	1,36,00

Reduction next year is due to gradual decline in prepartition outstandings.

Interest on Debt and other obligations:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
79,91,19	81,85,19	88,72,77

Under the Indian Independence (Rights, Property and Liabilities) Order, 1947, all liabilities in respect of loans, guarantees and other financial obligations of the Governor-General in Council outstanding immediately before the date of Partition have been placed on India, subject to the recovery of an appropriate contribution from Pakistan. The initial liability for the outstanding debt of the undivided Govt. has thus been assumed by India with the result that while India pays interest on the debt to the bond holders, recovery from Pakistan will be effected as part of the debt settlement between the two countries. In regard to the outstandings in respect of Post Office Savings Bank and Post Office Cash, Defence and National Savings Certificates it was agreed that each Dominion should take over liability for the deposits and certificates outstanding in its respective area subject to adjustment for transfers from one Dominion to another till the 31st March, 1948. The provision made for interest on Savings Bank Deposits and for the bonus on the certificates takes into account this decision of the Partition Council. It has been assumed that the balances in the Provident Funds of Government servants who opted for either Dominion will be taken over by that Dominion from the date of Partition. Similarly the provision for interest on Depreciation and other Reserve Funds and the recovery of interest on the Capital Outlay of Commercial Departments allows for the reduction in the outstandings as a result of Partition.

The payments on account of rupee, sterling and other debt (details of which appear in the Demands for Grants) and the transfers on account of interest charged on Commercial Departments are broadly summarised below.

STATEMENT VII

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
	(In lakhs of rupees)		
GROSS PAYMENTS			
A.—*Interest on Ordinary Debt*—			
(*i*) Rupee Debt—			
(*a*) Management of Debt	22·00	22·01	22·15
(*b*) Expenditure connected with the issue of new Loans and sale of securities held in the Cash Balance Investment account	7·60	7·54	6·54
(*c*) Discount written off to revenue	69·74	69·74	90·40
(*d*) Interest on temporary loans	6,15·22	7,63.47	10,70·00
(*e*) Payments of Prizes in respect of 5-year Interest free Prize Bonds	0·20	0.01	0·05
(*f*) Interest on all other loans	40,60·80	39,76·55	42,53·75
(*g*) Other Items	0·35	0·40	0·40
(*ii*) Sterling Debt—			
(*a*) Interest on Loans contracted in England	4·63	4·28	3·50
(*b*) Interest on Railway annuities	19·17	19·17	15·08
(*c*) Interest on outstanding liabilities of Railway Companies taken over on purchase	0·16	0·16	0·16
(*d*) Management of debt	0·04	0·04	0·04
(*e*) Other Items	12·93	12·93	13·56
(*iii*) Other Debt—			
(*a*) Interest on Dollar Loan from International Bank for Reconstruction and Development	89·10	92·69	96·24
(*b*) Interest on American Wheat Loan	2,26·20	2,26·20	2,26·20
TOTAL	51,28·14	51,95·19	57,98·07
B.—*Interest on Unfunded Debt and other Obligations*—			
Bonus on Post Office Certificates	6,07·90	6,04·55	6,75·38
Post Office Savings Bank Deposits	4,22·00	4,21·00	4,41·00
Interest on Ten-year Treasury Savings Deposit Certificates	92·24	89·72	1,12·47
State Provident Funds	4,32·74	4,50·03	4,77·03
Service Funds	13·24	13·53	13·19
Railway Depreciation Fund	3,22·31	3,47·13	3,21·46
Railway Revenue Reserve Fund	1,07.05	1,11·50	1,16·38
Railway Development Fund	64·94	70·49	50·36
Posts and Telegraphs Renewals Reserve Fund	16·40	16.54	15·89
Telephone Development Fund	4·14	5·53	5·76
Other Items	2,80·09	3,59·98	3,45·78
TOTAL	23,63·05	24,90·00	25,74·70
TOTAL—GROSS PAYMENTS	74,91·19	76,85·19	83,72·77

STATEMENT VII—*Contd.*

Reduction or Avoidance of Debt	5,00·00	5,00·00	5,00·00

(a) A statement showing the outstanding rupee and sterling loans is given below (Statement VIII).

(b) The amount shown against item A(iii) (a) represents interest and commission on the dollar loans taken from the International Bank for Reconstruction and Development for the Railway, Land Reclamation and Bokaro Thermal Projects, and that against A(iii)(b) interest on the loan taken from the United States Government for the purchase of wheat.

(c) In accordance with the arrangements approved by Parliament, Railways have to pay to General Revenues, for a period of 5 years from 1950-51, dividend at 4 per cent. of the capital at charge of Railways other than on unremunerative strategic lines. Out of the dividend payable by Railways, a sum equal to the amount which would have been recovered as interest charges is being taken as reduction of the expenditure and the balance treated as contribution to revenues.

(d) The increase in the interest on 'Temporary Loans' in the Revised is on account of the fact that the Budget assumed the average rate of discount on Treasury Bills at 2 per cent whereas the actual rate has proved to be about 2½ per cent. The further increase next year is due to the increased issue of Treasury Bills for financing the development schemes in the Five Year Plan.

(e) The decrease in the interest on 'all Other Loans' in the Revised is due partly to the market loan floated in the year having amounted to Rs. 75 crores only against Rs. 100 crores assumed in the Budget and partly to saving in respect of securities held by Government in the cash balance investment account. The increase in interest next year is partly due to the floatation of a new loan of Rs. 75 crores. The balance of the increase is largely due to interest on securities sold during the current year from Government's holdings.

(f) Estimates of interest in respect of the remaining items reflect the usual growth in balances of Small Savings Provident Funds, Depreciation Funds and similar other accounts.

(g) *Reduction or Avoidance of Debt.*—The usual provision of Rs. 5 crores has been made.

· STATEMENT VIII

I.—Rupee Loans Outstanding on 31st March 1954

(In lakhs of rupees)

Particulars	Date of Issue	Earliest date of maturity	Estimated amount on 31-3-1954
TERMINABLE LOANS—			
3½ per cent Loan, 1954-59	15th December, 1933	15th December, 1954	12,96
4½ per cent Loan, 1955-60	15th September, 1928	15th September, 1955	9,06
4½ per cent Loan, 1958-68	1st June, 1928	1st June, 1958	5,85
4 per cent Loan, 1960-70	15th September, 1926	15th September, 1960	63,30
3 per cent Loan, 1963-65	1st June, 1938	1st June, 1963	1,16,17
3 per cent Funding Loan, 1966-68.	22nd October, 1943	1st October, 1966	1,10,12
3 per cent Victory Loan, 1957.	1st April, 1944	1st September, 1957	1,14,07
3 per cent Second Victory Loan, 1959-61.	19th March, 1945	15th August, 1959	1,13,66
3 per cent First Development Loan, 1970-75.	16th April, 1945	15th October, 1970	1,15,06
2¾ per cent Loan, 1960	15th January, 1946	15th July, 1960	45,63
2½ per cent Loan, 1954	15th November, 1946	15th November, 1954	35,06
2½ per cent Loan, 1961	1st August, 1946	1st August, 1961	57,01
2¾ per cent Loan, 1976	16th September, 1946	16th September, 1976	14,77
2¾ per cent Loan, 1962	15th November, 1947	15th November, 1962	75,87
2½ per cent Loan 1955	1st October, 1948	1st October, 1955	60,45
3 per cent Loan, 1964	19th June, 1950	15th June, 1964	30,33
3 per cent Loan, 1958	16th August, 1951	16th August, 1958	50,35
3½ per cent National Plan Bonds, 1961.	1st June, 1953	1st June, 1961	75,29
BHOPAL LOANS—			
3 per cent Loan, 1966-76.	18th November, 1946	Repayable at par on 15-11-76 but the Govt. have the option of repaying at any time after 15th November, 1966, with 6 months' notice.	1,15
2½ per cent War Bonds, 1957	1st November, 1944	Repayable at par on 1-11-1957 or at any time with 3 months' notice.	26
		TOTAL	11,06,42
NON-TERMINABLE LOANS—			
3 per cent 1896-1897	22nd July, 1896	At the option of the Government of India after three months' notice.	8,93
3 per cent Conversion Loan, 1946.	16th September, 1946	At any time on or after 16th September, 1986, subject to three months' notice.	2,48,92
		TOTAL	2,57,85
		TOTAL—RUPEE DEBT	13,64,27

STATEMENT VIII—*Contd.*

II.—Sterling Loans Outstanding on 31st March, 1954

(In lakhs of rupees)

Particulars	Date of Issue	Earliest date of maturity	Estimate amount 31-3-195
4½ per cent Loan, 1958-68	1st June, 1928	1st June, 1958	58
3½ per cent Loan, 1954-59	15th December, 1933	15th December, 1954	42
2½ per cent Loan, 1926	1892-1900	At any time subject to one year's notice.	16
Railway Debenture Stocks	1892-1900	Perpetual	4
Capital Po.tion of Railway annuities			4,33
		Total	5.53

Ministry of Food and Agriculture:

Budget 1953-54	Revised, 1953-54	Budget, 1954-55
46,81	46,14	48,23

The increase next year is mainly due to creation of additional posts in the Agricultural Wing.

Forests:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
33,64	32,02	43,28

The saving in the current year is due to less expenditure on the scheme of Immobilisation of the Rajputana Desert than anticipated. Next year's provision includes additional expenditure for soil conservation (Rs. 3 lakhs), grants to the Indian Board for wild life and national parks in the country (Rs. 2 lakhs) and more outlay on the Immobilisation of the Rajputana Desert (Rs. 1·5 lakhs) and extra provision for the Forest Research Institutes.

Agriculture:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
3,68,23	4,06,81	8,96,94

The broad details of the provision made in this Demand are shown below:—

	Budget, 1953-54	Revised, 1953-54	Budget 1954-55
Sugarcane Station, Coimbatore	1,90	1,90	6,50
Directorate of Plant Protection, Quarantine and Storage	26,52	44,87	47,22
Directorate of Economics and Statistics	5,99	5,92	6,26
Vegetable Products Controller for India	1,86	3,03	3,69
Central Ground Water Organisation. Boring operations	2,95	4,36	1,88,00

	Budget, 1953-54	Revised, 1953-54	Budget 1954-55
Grants to :—			
(*i*) Indian Council of Agricultural Research	25,14	3,87	22,72
(*ii*) Indian Central Tobacco Committee	8,00	8,00	8,00
(*iii*) Indian Central Sugarcane Committee	16,00	11,82	8,00
(*iv*) Indian Central Jute Committee	10,00	10,00	25,00
(*v*) Indian Central Arecanut Committee	1,50	1,50	1,50
(*vi*) Indian Society of Agricultural Economics	20	20	20
(*vii*) Central Council of Gosamvardhan	2,00	1,00	2,00
Grants to State Governments for Gosadans and Key Village Schemes	32,00	25,52	33,77
Indian Council of Agricultural Research—Administrative expenditure	9,98	9,15	11,70
Payments to the Indian Council of Agricultural Research of net proceeds of the cess on agricultural produce	34,00	32,00	30,00
Agricultural Marketing	16,74	14,53	28,21
Fumigation of American Cotton	10,97	6,31	4,29
Transfer to the Fund of the proceeds of the sales of sugar stocks taken over on decontrol	5,32	1,63	3,69
Other Miscellaneous Expenditure	1,37,36	2,21,20	4,65,18
	3,68,23	4,06,81	8,96,94

The increase in the revised is mainly due to the reimbursement of loss incurred by certain State Governments due to remission of land revenue on additional area of land brought under cotton cultivation during 1950-51 with a view to achieve self-sufficiency in cotton (Rs. 32·2 lakhs), provision for the Ground Water Exploration scheme under the Indo-U.S. Technical Co-operation Agreement (Rs. 1·4 lakhs), provision for materials and equipment under the TCA and Colombo Plan for locust control (Rs. 19·3 lakhs) and fisheries (Rs. 25 lakhs) provisions for extra staff for the enforcement of the Industries (Development and Regulation Act) 1951 in respect of the sugar and vanaspati industry (Rs. 1·2 lakhs), additional machinery purchased for the Central Mechanised Farm at Jammu (Rs. 6·4 lakhs), partly off-set by savings due to less grant to State Governments for Gosadan and Key Village Schemes as a result of slow progress of these schemes (Rs. 6·5 lakhs), reduction in the grant to the Indian Council of Agricultural Research (Rs. 21·3 lakhs), saving (Rs. 4·2 lakhs) in the grant to the Central Sugarcane Committee consequent on the taking over of the control of sugar institutes at Kanpur and Bhadruk hitherto financed by the Central Sugarcane Committee and a saving of Rs. 4·1 lakhs on intensive cultivation schemes in centrally administered areas. The fall in the payment to the Indian Council of Agricultural Research of net proceeds of cess on agricultural produce is due to lesser collection of cess occasioned by the slump in prices and fall in the export of agricultural produce. Similarly the drop in expenditure on fumigation of American Cotton is due to less import of American Cotton than anticipated.

The increase next year is mainly due to large provision for materials and equipment expected to be received for various schemes like the Ground Water Exploration Scheme, Fisheries Scheme under the T.C.A. Agreement, Colombo Plan and Norwegian Aid Programme and provision for incidental expenditure like customs duty etc. thereon. Additional provision has also been made next year for the mechanised farm at Bhopal for resettlement of landless workers (Rs. 8·6 lakhs), expansion of G.M.F. Programme in the Centrally Administered Areas (Rs. 24 lakhs), new schemes for improving the quality of jute as recommended by the Expert Committee (Rs. 10·3 lakhs), increased grant to the Indian Central Jute Committee for construction of building (Rs. 15 lakhs) and grant to the Indian Council of Agricultural Research for taking up certain new schemes

(Rs. 18·9 lakhs). Provision has also been made in the next budget for payment to States for Key Village and Gosadan Schemes, for higher agricultural education and for the expansion of the activities of quality control in respect of wool, bristles and goat hair, and starting of new schemes of export quality control and propaganda on publicity for Agmark products.

Civil Veterinary Services:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
36,94	33,58	39,03

The saving in the revised is mainly due to the fact that some of the Indian Council of Agricultural Research Schemes could not be started early, and due to less purchases abroad. Increase next year is on account of new schemes of I.C.A.R. and also additional expenditure on purchase of animals for the Indian Veterinary Research Institute for experiments on the development of new vaccine for eradication of rinderpest.

Miscellaneous Expenditure under the Ministry of Food and Agriculture:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
73,37	4,96,02	79,13

The important items of expenditure included in this Demand are set out below:

(In lakhs of rupees)

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
Subsidy on imported food grains supplied to States	..	1,77	..
Contributions	15	15	17
Other items	10	9	10
Loss on American "Loan wheat"	48	49	49
Compensation paid to sugar factories	..	2,07	..
Bonus to States on internal procurement	..	35	3
Grant of compensation to sugar factories on account of export of sugar at reduced prices	..	4	..

Provision for subsidy on imported food grains "supplied to States" represents the Central assistance towards meeting a part of the loss incurred by the Travancore Cochin State on the sale of rice during 1953 granted in view of its highly deficit character and its dependence on imported rice (Rs. 150 lakhs), and payment of old outstanding liabilities to certain States (Rs. 27 lakhs).

Provision for compensation to sugar factories has been found necessary in the current year as the provision of Rs. 430 lakhs provided last year could not be fully utilised due to delay in the despatch of sugar from factories. The provision in the current year represents the compensation due on sugar released by the factories subsequently.

Provision for bonus to States on internal procurement of food grains is in respect of certain arrear claims.

A sum of Rs. 3½ lakhs is included in the current year for payment of compensation to the sugar factories as part of the scheme to stimulate the export of sugar with a view to relieve pressure of stocks with factories during last year.

Ministry of Health:

Budget, 1953-54	Revised, 1953-54	Budget 1954-55
6.38	6.43	6.96

The excess in the revised is due to extra posts created during the year to cope with the increase in work. Next budget includes provision for the increased staff for the whole year.

Medical Services:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1.07.45	74.83	1,51.12

The saving in the revised is mainly due to the delay in the establishment of the All-India Medical Institute (Rs. 21 lakhs), non-implementation of the scheme for Mobile Health Units (Rs. 5 lakhs), delay in taking over of the Willingdon Hospital and Nursing Home, New Delhi, and Mental Hospital, Ranchi (Rs. 3·44 lakhs), payment of lesser grants to the Central Institute for Research in indigenous system of medicines, Jamnagar (Rs. 1·87 lakhs); non-utilisation of provision for "Contributory Health Services Scheme" (Rs. 4 lakhs) and of Rs. 3·5 lakhs due to certain posts remaining vacant.

Besides providing for the anticipated requirements in respect of the schemes mentioned above, budget next year includes the following new items:—

(i) Rs. 5·25 lakhs for grants to certain States for the establishment of Departments of Social and Preventive Medicines in certain Medical Colleges, (ii) Rs. 2·81 lakhs for equipment for a Paediatric Centre at the Lady Hardinge Medical College and Hospital, New Delhi, (iii) Rs. 1·5 lakhs for grants to certain medical college hospitals for employment of occupational therapy workers, (iv) Rs. 1 lakh for research in indigenous System of Medicines other than modern medicines, and (v) Rs. 1·5 lakhs for the establishment of special diet kitchen in teaching hospitals.

Public Health:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,15,08	95.29	6,34.01

The saving in the revised is due to delay in the establishment of a Child Care Training Centre (Rs. 6·72 lakhs), Central Food Laboratory (Rs. 1 lakh), Central Health Education Bureau (Rs. 1·83 lakhs), payment of reduced grants for public health purposes (Rs. 3·1 lakhs), less expenditure on Family Planning (Rs. 2·6 lakhs), less expenditure in connection with the Epidemic diseases (Rs. 1·2 lakhs), non-receipt of the equipment for the Film Production Unit (Rs. 0·9 lakh) and of certain posts remaining vacant (Rs. 1·65 lakhs).

The large increase next year is mainly due to increased provision for grants to States and other institutions for public health purposes and larger provision for schemes of Family Planning. Provision in the next year includes a Central Health Education Bureau (Rs. 1·6 lakhs). Central

Public Health Engineering Organisation in connection with the National Water Supply and Sanitation Scheme (Rs. 1·5 lakhs), Central Leprosy Training and Research Institute (Rs. 5 lakhs) and for schemes for training Public Health personnel for Community Projects (Rs. 10 lakhs). Provision for grants includes grants to States for National Malaria Control Scheme and National Filaria Control Scheme; other important items included here are grant to the Indian Council of Medical Research (Rs. 21 lakhs), grant to the T.B. Association of India for the establishment and maintenance of a 50-bed hospital at Mehrauli (Rs. 6 lakhs), grant to Union Medical T.B. Sanatorium, Madanapalli for construction of a 75-bed hospital (Rs. 4 lakhs), grant to Ramakrishna Mission T.B. Sanatorium, Ranchi (Rs. 1·25 lakhs) and grants to Medical Colleges and Research Institutions for purchase of equipment (Rs. 50 lakhs).

The bulk of the expenditure on National Malaria and Filaria Control Scheme and the Scheme for grants to Medical Colleges for purchase of equipment will be met from assistance received under the T.C.A. Programme.

Miscellaneous Expenditure under the Ministry of Health:

Budget 1953-54	Revised, 1953-54	Budget, 1954-55
76,35	29,86	77,37

The provision of Rs. 46·67 lakhs meant for transfer to the Special Development Fund has proved unnecessary in the revised as no contribution has been received from the Government of New Zealand during the current year for the establishment of the All India Medical Institute. This saving in the revised is partly set off by increase in contribution to be paid to the International Committee of Red Cross during this year. Next year's provision includes Rs. 46·67 lakhs for transfer to the Special Development Fund (the contribution expected to be received from the Government of New Zealand next year for the establishment of the All India Medical Institute) and contribution to the International Committee of Red Cross at the increased rate.

Ministry of Home Affairs:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,28,11	1,24,21	1,56,39

The saving in the revised is due to certain posts remaining vacant in the Intelligence Bureau. The increase in next year is mainly due to the expansion of the Intelligence Bureau, provision in respect of officers likely to be sent out to Part 'A' States under the scheme for training of Central Secretariat Officers, payments to States for expenditure of I.A.S. probationers and extra provision for the post of Regional Assistant Commissioner for Scheduled Castes and Tribes and his staff.

Cabinet.

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
23,87	24,66	25,94

The increase in next year is mainly due to larger provision for tour charges of Cabinet Ministers.

Delhi:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,51,18	1,32,67	1,57,75

Late implementation of the second and third phases of the reorganisation scheme of the Police sanctioned during the year accounts for the saving in the revised. Next budget includes full provision for the implementation of the second and third phases of the reorganisation scheme.

Police:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
69,13	99,85	1,03,24

The increase in the revised is mainly on account of payments to States for meeting expenditure incurred by them on border police. The further increase in the next year is due to provision for payment to States for border police for the whole year and for police staff on the Indo-Pakistan border as a result of introduction of the passport system and reorganisation of the Inter-State Police Wireless Scheme.

Census:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
10,49	10,25	20,58

Next budget includes provision for a scheme for improvement of population data (17·5 lakhs) and for printing of the Census Reports, etc. (2·8 lakhs).

Miscellaneous Departments and Expenditure under the Ministry of Home Affairs:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
11,07	10,53	9,50

Less expenditure on the Backward Classes Commission and less provision for Fire Services account for the fall in the current and next year's respectively.

Andaman and Nicobar Islands:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,75,95	1,63,16	1,96,95

A broad analysis of the provision included in this Demand is given below:

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
Forest	80,27	77,08	84,64
Ports and Pilotage	52,20	44,88	53,51
Administrative Departments	18,72	18,47	32,03
Beneficient Departments.	12,71	11,04	14,30
Other Expenditure	12,05	11,69	12,47
	1,75,95	1,63,16	1,96,95

The saving in the revised occurs under ports and pilotage which is due to the termination of the charter of S.S. *Bharat Khand.* The increase in next year is on account of extra provision for the "Colonisation Scheme" and provision for chartering a second ship in place of S.S. *Bharat Khand.*

Ministry of Information and Broadcasting:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,02,64	1,16,80	1,38,92

The increase in the revised is mainly due to additional provision required to meet the expenditure on the Integrated Publicity Programme of the Five Year Plan (Rs. 15 lakhs), additional provision to defray the expenditure of the Press Commission whose term has been extended beyond October (Rs. 1·5 lakhs), counterbalanced by saving due to curtailment of display publicity on behalf of various Ministries (Rs. 2·5 lakhs). Increase in next year is mainly due to provision for the full year for Integrated Publicity, and the revival of the 'Indian Information' and the 'Bharatia Samachar' and starting of service in Assamese and Oriya, partly offset by saving due to provision for the Press Commission upto end of July only.

Broadcasting:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
2,28,73	2,26,12	2,32,17

An increase in the expenditure on Broadcasting Stations (Rs. 3·5 lakhs) is anticipated in the revised which will be set-off by saving due to some posts remaining vacant.

The incerase next year is mainly due to provision made for implementing the schemes under the Five Year Plan.

Ministry of Irrigation & Power:

Budget 1953-54	Revised, 1953-54	Budget, 1954-55
7,94	9,85	10,58

The increase in the revised is due to provision for additional posts sanctioned for the Ministry, for Canal Water Dispute Delegation to U.S.A. and for the two Committees appointed for examining the working of the Damodar Valley Corporation and accounts of the Rail-Road Bridge over the Mahanadi at Hirakud.

Multi-purpose River Schemes:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
45,58	36,92	41,71

A saving of about Rs. 9 lakhs is anticipated as a number of new projects, *e.g.,* Bargi, Barna, Bhopalpatnam, Ganga Tista Link, could not be taken up for investigation during the year. Increase in next year is mainly due to provision made for collection of hydrological data of certain river valley basins and an additional provision for Krishna-Godavari Projects.

Miscellaneous Departments and Expenditure under the Ministry of Irrigation & Power:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
40,49	36,14	34,64

The saving in the current year is due to the abolition of certain posts as a result of the reorganisation of the Central Water & Power Commission and certain technical posts remaining vacant. Absence of provision for the posts abolished during the current year accounts for the further fall in next year.

Ministry of Labour:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
29,22	28,68	31,63

The saving in the revised is mainly due to certain posts remaining unfilled. Increase next year is on account of additional expenditure on the "Productivity Scheme" and setting up of National Productivity Centre and the Central Labour Institute.

Chief Inspector of Mines:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
8,90	8,70	9.52

The decrease in the current year is the result of certain posts remaining unfilled. Provision for vacant posts and usual increments account for increase next year.

Miscellaneous Departments and Expenditure under the Ministry of Labour:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
3,17,91	2,77,99	3,24,95

The decrease in the current year is mainly due to non-execution of the Coal Mines and Mica Mines, Labour Welfare measures fully (Rs. 24 lakhs) and non-utilisation of the provision made for the welfare measures under the War Injuries Compensation Act (Rs. 1·5 lakhs) saving in the provision for contribution to the Employees State Insurance Corporation (Rs. 12 lakhs), partly counterbalanced by increased provision for the Agricultural Labour Enquiry Committee which is being wound up next year. Budget next year contemplates larger outlay on Coal Mines and Mica Mines Welfare measures (Rs. 34 lakhs), welfare measures under the Workmen's Compensation Act (Rs. 1·2 lakhs), additional provision for contribution to the Employees State Insurance Corporation (Rs. 6 lakhs), increased contribution to the International Labour Organisation (Rs. 0·9 lakhs) partly off-set by reduction in the provision for Agricultural Labour Enquiry Committee.

Employment Exchanges and Resettlement:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,35,82	1,33,07	1,29,25

The saving both in the current and next budget is on account of less number of trainees under the Scheme for training of adult civilians and curtailment of publicity.

Ministry of Law:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,75,40	1,71,48	1,35,04

The decrease in the current and next years is mainly due to less provision for payment to States towards Central Government's share of the extra expenditure incurred in connection with the elections.

Administration of Justice:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
10,66	11,27	13,02

The increase in the revised is mainly due to upward revision with retrospective effect in the contribution payable to a State Government for services rendered by its Law Officers and provision for the East Punjab Special Tribunal whose term has been extended upto end of February, 1954.

Purchase of books and publications for the Supreme Court account for the further rise next year.

Ministry of Natural Resources and Scientific Research:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
7,25	7,11	7,98

The small excess next year is due to increments etc.

Survey of India:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,04,27	1,10,10	1,43,79

Increase in the current and next year is mainly due to the expansion in the activities of the Department.

Botanical Survey:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
2,68	2,68	6,93

The increase next year is mainly due to the expansion and reorganisation of the Botanical Survey of India.

Zoological Survey:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
4,36	3,85	4,49

The saving in the current year is due to the non-implementation of the reorganisation scheme fully. The reorganisation is expected to be implemented fully next year and provision has been made accordingly.

Geological Survey:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
51,36	40,99	56,57

The saving in the current year is mainly due to larger number of posts remaining vacant and non-availability of stores. Next budget includes provision for the expansion of the Survey as envisaged in the Five Year Plan.

Mines:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
21,43	19,25	26,01

The decrease in the revised is mainly due to certain posts remaining vacant and less purchase of stores. Additional provision has been included in the next budget for the further expansion of the Indian Bureau of Mines, expansion of the Industrial Minerals Laboratory and reorganisation of the Mining and Drilling Divisions of the Indian Bureau of Mines transferred to the Geological Survey of India.

Scientific Research:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
3,16,24	3,06,03	3,21,91

The important items included in the Demand are given below:—

(Rs. in Lakhs)

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
Provision for Research Expenditure	1,10	1,10	82
Grant to the Council of Scientific and Industrial Research	1,71	1,63	2,02
Central Board of Geophysics and Bibliographical Centres	2	3	3
Grants to Scientific Societies and Institutions	23	25	26
Marine Biological Station at Andamans	2	2	

The decrease in the revised is mainly due to less payment of grant to the Council of Scientific and Industrial Research and partial utilisation of the provision for the manufacture of synthetic rice. Next year's provision takes into account payment of increased grant to the Council of Scientific and Industrial Research due to extra expenditure on the Laboratories. Provision has also been made next year for increased expenditure on the Marine Biological Station at Andamans and for the manufacture of synthetic rice. Research expenditure has been estimated at Rs. 82 lakhs as against Rs. 110 lakhs in the current year.

Ministry of Production:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
7,47	7,02	8,41

The saving in the revised is due to non-appointment of Government directors partly off-set by excess on account of Secretary's tour abroad in connection with the Iron and Steel Plant. The increase in next year is due to Iron and Steel Plant work and also provision for Board of Government Directors.

Salt:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,28,84	1,22,72	1,38,17

The reduction in the current year is mainly due to saving in the payment of royalties and compensations. Increase next year in the payment of contribut on to the Renewal Reserve Fund and additional provision for interest in the Capital Outlay mainly account for the increase in next budget.

Other Organisations under the Ministry of Production:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,18,01	1,17,56	1,29,90

The saving in the current year is due to less purchase of stores for the National Instruments Factory partly off-set by expenditure on preliminary expenses on development of shipbuilding industry and additional expenditure for the Coal Commissioner's establishment for payment to the Railways for certain services rendered in connection with the Colliery Control Order. The excess next year is due to larger provision towards subsidy to shipbuilding industry and stores to the National Instruments Factory.

Miscellaneous Departments and expenditure under the Ministry of Production:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
1,84,34	1,27,40	2,02,99

The saving in the current year is due to non-utilisation of the provision for the Coal Board as the necessary amendments to the Coal Mines Conservation and Safety Act, 1952 could not be enacted as contemplated, partly off-set by larger provision for transfer to the Coal Board. The excess next year is due to larger provision for transfer to Coal Production Fund and inclusion of provision for the Coal Board which is expected to be brought under Parliamentary control from next year, partly off-set by saving in the provision for transfer to the Coal Mines Safety and Conservation Fund.

Ministry of Rehabilitation:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
19,80	19,75	20,10

Increase in next year is mainly due to increments, etc.

Expenditure on displaced persons:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
12,67,50	12,67,78	10,23,51

The increase in the revised is mainly due to additional provision for expenditure on displaced persons from East Bengal and provision for the D.A.V. College Relief Camp at Lahore. The decrease next year is mainly due to absence of the provision for advance payment to persons in Homes and grant of maintenance allowance (Rs. 175 lakhs), less expenditure on Custodian and settlement organisations (Rs. 5·4 lakhs) and less expenditure on relief for displaced persons (Rs. 100 lakhs), partly off-set by increased provision to meet certain liabilities of Rajpura and Faridabad Townships.

As explained in the Budget speech payments under the scheme of Compensation and Rehabilitation grants to displaced persons are being made under Capital from next year. A provision of Rs. 4 crores is being made accordinly on this account in the budget. These payments will be written back to revenue over a period of 15 years.

This Demand excludes Capital Outlay and loans for rehabilitation. The loans are estimated at Rs. 6·49 and Rs. 12·45 crores during 1953-54 and 1954-55 respectively.

Privy Purses and Allowances of Indian Rulers:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
5,40,84	5,64,89	5,43,38

The Demand provides for the payment of Privy Purse to the Rulers of the former Indian States and allowances to their relatives under the covenants entered into with them. The increase in the revised is due to payment of arrears of privy purse to certain Rulers and adjustment relating to previous years (Rs. 10·9 lakhs) and increase in the rate of privy purse of the Rulers of Baroda and Ramdrug (Rs. 13·1 lakhs). Absence of provision for arrear payments mainly accounts for the reduction next year.

Kutch:

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
	1,11,09	1,06,49	1,16,97
Direct Demands on Revenue	14,28	13,54	14,79
Irrigation Works met from Revenue	18,08	18,08	13,74
Civil Administration :			
Administrative Departments	·29,45	28,01	32,78
Beneficent Departments	31,88	28,78	38,19
Electricity Supply Scheme	3,61	3,54	3,60
Famine Relief	5	15	5
Miscellaneous expenditure	8,34	8,08	9,82
Community Development Projects	5,40	6,31	4,00
TOTAL . .	1,11,09	1,06,49	1,16,97

The saving in the revised is mainly due to some posts remaining vacant, partly counterbalanced by the increase in expenditure on the Community Development Block. Increase next year is due to provision for land border and coastal security schemes (Rs. 3 lakhs) and provision for implementation of schemes under the Five Year Plan (Rs. 8 lakhs).

Bilaspur:

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
	25,56	24,69	37,80
Direct Demands on Revenue	2,61	2,24	3,37
Irrigation Works met from Revenue	1,00	1,00	100
Civil Administration :			
Administrative Departments	5,46	5,48	5,61
Beneficent Departments	8,68	8,71	10,98
Miscellaneous Expenditure	61	61	61
Community Development Projects	7,20	6,65	16,23
TOTAL	25,56	24,69	37,80

The saving in the revised is mainly due to less expenditure on the Community Development Block. Increase next year is due to larger outlay on the Community Development Block (Rs. 9·6 lakhs) and implementation of Forest, Health, Education and Agriculture Schemes included in the Five Year Plan.

Manipur:

	Budget 1953-54	Revised, 1953-54	Budget, 1954-55
	63,48	58,92	82,71
Direct Demands on Revenue	3,50	2,58	3,92
Irrigation Works met from Revenue	45	45	2,14
Civil Administration :			
Administrative Departments	16,22	16,03	16,69
Beneficent Departments	18,03	15,55	25,85
Electricity Supply Scheme	99	1,18	1,07
Road Transport Scheme	8,25	7,05	8,02
Miscellaneous Expenditure	9,53	9,57	13,12
Community Development Projects	6,51	6,51	11,90
TOTAL	63,48	58,92	72,71

The reduction in the revised is mainly due to less purchase of vehicles for the Road Transport Scheme and non-utilisation of the provision for development scheme. Increase next year is mainly due to provision for payment of commission to Manzadars for collection of land revenue, outlay on flood control works, increase in expenditure on the Community Development Block and implementation of schemes under the Five Year Plan. An additional provision of Rs. 1 lakh has been included for schemes for welfare of Scheduled Tribes and areas.

Manipura:

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
	1,21,33	1,22,20	1,31,97
Direct Demands on Revenue	13,15	13,83	12,98
Irrigation Works met from Revenue	1,00	1,00	1,08
Civil Administration .			
Administrative Departments	39,46	37,93	39,96
Beneficent Departments	34,14	35,11	51,49
Miscellaneous Expenditure	23,51	21,61	19,02
Community Development Projects	10,07	12,72	7,50
TOTAL	1,21,33	1,22,20	1,31,97

There has been an increase in the expenditure on the Community Development Block which is off-set by the saving in expenditure on air-lifting of essential supplies. Increase next year is mainly due to provision for schemes envisaged in the Plan.

Relations with States:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
62,13	60,98	58,20

The saving in both the revised and next budget is due to reduction in the staff of certain regional organisations pending their abolition and also transfer of the Central Treasury at Hyderabad to the State Government.

Miscellaneous expenditure under the Ministry of States:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
59,63	1,49,63	1,03,48

This demand provides for payment of miscellaneous compensation payable to the Maharaja of Banaras and Raja Mahendra Man Singh and also expenditure on "Aid to Kashmir". The increase in the current year is mainly due to additional expenditure under "Aid to Kashmir" for financial assistance to that State to cover the budgetary gap and for the construction of the Banihal Tunnel Prospect; part of the increase is also accounted for by payment to Railawys for certain services rendered by that Department to the Bhopal Darbar and write off of certain loans due from the Bhopal Darbar prior to its integration.

The entire amount on "Aid to Kashmir" is recoverable from the Government of Jammu and Kashmir and is adjusted as a loan to that Government.

Ministry of Transport:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
31,07	31,46	40,05

The excess in the current year is due to increase in the running expenses of the staff cars due to the increase in the number of cars in the staff car pool. Further increase next year is mainly due to opening of more Regional Tourist Organisations abroad and development and promotion of Tourist Publicity.

Ports and Pilotage:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
62,45	54,60	62,39

The saving in the current year is mainly due to less purchase of stores for the Marine Engineering College, and non-utilisation of the provisions for contribution towards the construction of the Seamen's Hostel at Madras, delay in the implementation of the recommendations of the Sailing Vessels Committee and Deck Passengers Committee and less expenditure on training of ratings. The increase next year is accounted for by larger provision for the purchase of machinery, equipment and stores for the Marine Engineering College, setting up of Seamen's Employment Offices at the ports of Bombay and Calcutta and contribution for the construction of the Seamen's Hostel at Madras.

Light Houses and Light Ships:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
79,67	48,27	79,89

Less expenditure on works due to non-availability of equipment and personnel and reduction in the contribution to the General Reserve Fund as a result of decrease in the collections of light dues account for the saving in the current year. Increase next year is due to larger outlay on works and provision for larger amount to be transferred to the General Reserve Fund as a result of more dues anticipated next year.

Central Road Fund:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
4,91,26	4,89,59	4,62,52

This demand accommodates provision for transfer to the Central Road Fund of its share of Customs and Excise Duties on Motor spirit at the rate of 2½ annas a gallon. Provision is also included here for the Central Expenditure financed from the Fund. Subventions to States for road developments are, however, paid direct from this Fund.

Communications (including National Highways):

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
4,72,44	4,71,44	4,88,85

The increase next year is mainly due to additional outlay on National Highways as envisaged in the Five Year Plan, and also due to increase in the mileage of roads for maintenance.

Miscellaneous expenditure under the Ministry of Transport:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
4,37	4,40	6,57

The increase next year is due to provision of Rs. 2 lakhs for contribution to State Governments for promotion of tourist traffic.

Budget, 1953-54	Revised 1953-54	Budget, 1954-55
.21,80	21,46	17,42

Ministry of Works, Housing and Supply:

Non-utilisation of a part of the provision for the International Housing Exhibition (Rs. 0·41 lakhs) accounts for saving in the revised. The saving in the provision for the establishment of the Chief Technical Examiners Organisation (Rs. ·70 lakhs) has been off-set by extra expenditure on additional posts in the Ministry. The decrease next year is mainly due to less provision for the Housing Exhibition counterbalanced partly by inclusion of full provision for the additional posts and for the Chief Technical Examiner's Organisation.

Supplies:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
2,75,64	2,32,39	2,97,03

The saving in the current year is mainly due to the non-utilisation of funds provided for certain non-recurring items and delay in the delivery of special testing material to the Government Test House, partly off-set by expenditure on arbitration and litigation. The increase next year is mainly due to provision for claims relating to de-requisitioned Jute Mills.

Other Civil Works:

Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
14,98,42	15,41,41	15,48,98

The increase next year is due to extra provision for new works and expenditure on maintenance of Government buildings. Provision has also been included in the next budget for anticipated expenditure for the Administrative Audit Scheme and for the increase of staff to cope with the larger capital outlay on works anticipated next year.

Stationery and Printing:

Budget, 1953-54	Revised 1953-54	Budget, 1954-55
4,93,48	5,61,34	5,27,27

The increase in the current year is mainly due to extra provision required for the purchase of paper as a result of larger demands placed on the Government of India Stationery Office, Calcutta. Next year's provision is based on anticipated trends.

Miscellaneous expenditure under the Ministry of Works, Housing and Supply:

Budget, 1953-54	Revised 1953-54	Budget 1954-55
46,41	40,40	55·56

Less expenditure on storage and disposal of German reparations and non- utilisation of the provision for the National Building Organisation account for the saving in revised. Next year's provision includes a sum of Rs. 1 lakh for payment of grant to the Rajghat Samadhi Committee.

Parliament:

	Budget, 1953-54	Revised, 1953-54	Budget, 1954-55
	98,87	83,82	1,03,43

The details are :

House of People	60,80	49,24	58,86
Secretariat of the House of People	13,65	12,85	17,85
Council of States	18,23	16,19	18,82
Secretariat of the Council of States	5,89	5,53	7,60
Charges in England	30	1	30

The saving in the current year is due to fewer members attending the Sessions of the Houses and also due to slow progress in the work of translation, caligraphy and printing of the Constitution in regional languages. Next year's budget includes provision for purchase of more books and publications for the Parliament Library, provision for depicting the Nation's History in paintings and statutes in the Parliament House, as well as provision for completion of the residual work of translation, caligraphy and printing of the Constitution in regional languages.

Union Public Service Commission:

Budget 1953-54	Revised 1953-54	Budget, 1954-55
20,70	22,24	22,22

The increase in the revised is due to the setting up of a Special Recruitment Board for recruitment of Income-tax Officers and increase in expenditure on travelling allowance to candidates for recruitment to various posts. Provision for next year is based on the trend of current

STATEMENT IX
PROVISION FOR DEVELOPMENT EXPENDITURE

DEMAND	PARTICULARS	(In thousands of Rupees)
	(A) REVENUE BUDGET	Amount
Industries .	Grants to :—	
	Silk Industry	40,00
	Indian Standards Institution	4,20
	Small Scale Industries	50,00
	Development of Handloom Industries	3,00,00
	Development of Khadi Industries	1,10,00
	Village Industries	65,00
	Handicrafts	45,00
	Match Industry	1,00
Meteorology	Development Schemes	10,49
Overseas Communication Service.	Development Schemes	14,40
Aviation	Development Schemes	46,65
Miscellaneous Expenditure under the Ministry of Communications.	Wireless Planning & Co-ordination	8,73
Other Scientific Departments	Grants and donations to Engineering and Technological Institutions	22,00
	Practical Training Stipends	8,00
	Research Training Scholarships	10,80
	Grants to Universities and Institutions for development of Scientific and Technical Education and Research	1,30,00
	Indian Institute of Science, Bangalore	32,60
Education	Implementation of Schemes of Basic, Secondary and Social Education	8,13,00
	Grants to Public Schools in India	5,00
Tribal Areas	Schemes for the Economic Development of Tribal Areas	65,00
Ministry of Finance	Multipurpose National Sample Survey	49,62
	National Income Unit	73
Grants-in-aid to States	Grants to States for the welfare of Scheduled Tribes and development of Scheduled areas under the provision to Art. 275 (I) of the Constitution	3,56,00
Extraordinary payments	Grants to States for G. M. F. Schemes	4,50,00
	Community Development Projects	7,50,00
	Assistance towards relief expenditure due to Natural Calamities	2,00,00
	Grants for Social Welfare	1,50,00
	Grants for welfare of backward classes	1,25,00
	Training of Village Level Workers	58,36
	Resettlement of Landless workers	5,00
	Grants to States for Soil Conservation Schemes	25,00
	Scheme for the improvement in Land Records and Agricultural Statistics	10,00
	Grants for Co-operative Training and Experiments	15,00
Forest	Scheme for Matchwood Plantations	2,00
	Central Soil Conservation Board	5,26
	Grant to the Indian Board for Wild Life for National Parks in the country	2,00
	Desert Afforestation Research Station, Jodhpur	4,10
Agriculture	Expenditure on various Schemes at the Indian Agricultural Research Institute	7,45
	Fumigation of Agricultural seeds before export	5,79
	Scheme for Jute Development	18,99
	Central Potato Research Institute	3,22

(In thousands of Rupees)

DEMAND	PARTICULARS	Amount
	Expenditure on various Schemes under T. C. A. Programme	2,74,09
	Locust Control & Plant Protection	4,33
	Resettlement of Landless workers through the Establishment of Central Mechanised Farms .	59,50
	Intensive Cultivation Schemes in Centrally Administered areas	34,56
	Training Scheme for Tractor operators . .	8,20
	Schemes for Agricultural marketing . .	20,04
	Cotton Cultivation Schemes	21,39
	Development of Cane and Sugar Industry . .	12,29
	Fisheries Development and Research Schemes .	54,36
	Higher Agricultural Education	10,00
	Grants to :—	
	Indian Council of Agricultural Research . .	18,56
	States for Gosadan Scheme	10,00
	States for Key Village Schemes	23,77
	States for demonstration projects for shifting cultivation	2,50
Miscellaneous Departments and Expenditure under the Ministry of Food and Agriculture.	Scheme for conducting Research on Agro-economic problems	1,20
Medical Services .	Grants to:—	
	Lady Reading Health School	1,35
	State Govts. for medical purposes . . .	5,25
	Andhra Mahila Sabha	89
	Central Institute for Research in indigenous system of Medicine, Jamnagar	5,00
	Lady Hardinge Medical College, New Delhi .	15,32
	Vallabhbhai Patel Chest (T. B.) Institute, Delhi University	4,00
	Contribution to State Govts. for upgrading of certain Departments in Medical Institutes . .	4,00
	Establishment of All-India Medical Institute in Delhi	27,45
	Indian Cancer Research Centre, Bombay . .	3,60
	Taking over and re-organisation of the Mental Hospital, Ranchi	15,12
	Mobile Health Units.	5,00
	Taking over of Willingdon Hospital & Nursing Home, New Delhi	3,95
	Employment of Occupational Therapy Workers in the Medical Colleges and Hospitals in India .	1,50
	Establishment of Special Diet Kitchens in Teaching Hospitals	1,50
	Employment of medico-social workers in the various Medical Colleges in India . . .	50
Public Health . .	Leprosy Teaching and Research Institute, Madras	5,00
	Tuberculosis Centre, New Delhi	2,20
	Child Health Care Training Centre, Calcutta .	9,62
	Provision for Family Planning	30,00
	Health Survey in Community Projects . .	65
	Venereal Diseases Control Scheme . . .	85
	Schemes regarding the training of Health personnel for Community Projects	10,00
	Child Welfare Centres in the States . . .	7,00
	Additional Grants to Indian Council of Medical Research	6,00
	Grants for Mechanical Aid for Vital Statistics .	2,80
	B. C. G. Programme	3,35
	National Malaria Control Scheme . . .	35,50
	National Filaria Control Scheme . . .	6,16

(In thousands of Rupees)

DEMAND	PARTICULARS	Amount
	Scheme for Control of Leprosy	5,00
	Shifting of Nutrition Research Laboratory from Coonoor to Hyderabad	3,00
	Public Health Engineering Organisation	1,50
	T. B. Hospital, Mehrauli	6,17
	T. B. Sanatorium and Thoracic Surgery Unit at Madanapali	4,10
	Establishment of Training Centres for Public Health staff for Community Projects	53
Andaman and Nicobar Islands	5-Year Development and Colonisation Scheme	14,72
Ministry of Information and Broadcasting.	Publicity through posters and folders, production and distribution of documentaries, instructional and educational films, pamphlets, booklets etc.	41,78
Broadcasting	Development Schemes	90,00
Multi-purpose River Schemes	Expenses in connection with investigation on Multi-purpose River Schemes	30,00
Miscellaneous Departments and Expenditure under the Ministry of Labour	Central Labour Institute, Bombay	2,00
Employment Exchanges and Resettlement.	Scheme for the Training of Adult Civilians	61,06
Survey of India	Expansion of Survey of India	5,31
Botanical Survey	Expansion and Re-organisation of the Botanical Survey of India	5,95
Zoological Survey	Expansion and Re-organisation of the Zoological Survey of India	1,00
Geological Survey	Expansion and Re-organisation of the Geological Survey of India	15,00
Mines	Expansion of the Indian Bureau of Mines	13,15
Scientific Research	Establishment of Marine Biological Station, Andamans	3,00
	Establishment of Bibliographical Centre	2,33
	Grants to Scientific Societies and Institutes	4,00
Other Organisations under the Ministry of Production	Subsidy to Shipbuilding Industry	30,00
Kutch	T. B. Sanatorium at Bharpore	75
	Experimental Farms	79
	National Extension Service Scheme	1,75
	Cottage Industries Development.	1,00
	Uplift of Scheduled Tribes and Backward Classes	2,17
	Execution of irrigation tanks	7,00
	Community Development Projects	4,00
	Public Health Development Schemes	1,10
	Development of Medical Schemes	4,24
	National Malaria Control Scheme	2,13
Bilaspur	Irrigation Development Works	1,00
	Forest Development Schemes	1,63
	Medical Development Schemes	1,00
	Community Development Projects	16,23
	Agricultural Development Schemes	1,25
	National Malaria Control Scheme	57
	Public Health Schemes	86
Manipur	Development of Cottage Industries	50
	Schemes for the welfare of Scheduled Tribes	10,00
	Water Supply Schemes	1,00
	Medical Development Schemes	2,19
	Community Development Projects	11,90
	Manipur State Transport Service	1.02
	National Malaria Control Scheme	113

(In thousands of Rupees

DEMAND	PARTICULARS	Amount
Tripura	Water Supply Schemes	1,20
	Development of Cottage Industries . . .	2,52
	Community Development Projects . . .	6,50
	Forest Development Schemes	2,61
	Agricultural Development Schemes . . .	1,58
	Schemes for the Welfare of Scheduled Tribes .	5,00
	National Malaria Control Scheme . . .	1,13
	Development of Education	1,66
	Medical Development Schemes	5,96
	National Extension Service Scheme . . .	1,00
Ports & Pilotage . . .	Nautical Engineering College	3,35
	Marine Engineering Scheme	9,06
	Ratings Training Scheme	6,54
Lighthouses and Lightships	Improvement and Development of Lighthouses and lightships	50,00
Communications (including National Highways)	Maintenence of National Highways . . .	4,15,00
	Construction, Maintenance, Development, etc. of other Roads	73,85
Miscellaneous Expenditure under the Ministry of Transport.	Development of Inland Water Transport . .	400
	TOTAL	58,49,51

(B) CAPITAL BUDGET

DEMAND	PARTICULARS	Amount
Capital Outlay on Indian Post and Telegraphs (not met from revenue).	Telephone Development Schemes . . .	12,00,00
Capital Outlay on Civil Aviation.	Works, equipment, etc.	1,53,20
	Meteorological equipment	10,00
Other Capital Outlay of the Ministry of Communications	Overseas Communication Service . . .	38,00
	Nationalisation of Airport Transport Services .	6,09,37
	Purchase of shares of the Indian Telephone Industries	85,00
Capital Outlay on Mints	Construction of a new Mint at Alipore, Calcutta .	8,23
	Construction of Silver Refinery at Calcutta .	20,00
Other Capital Outlay of the Ministry of Finance.	Local Development Works	6,00,00
	Equipment under T. C. A. Plan for River Valley Projects	3,24,00
	Equipment under Colombo Plan for Hydro-electric Projects	20,65
Loans and Advances by the Central Government.	Loans to States including loans for Grow More Food	1,94,64,53
	Loans to Port Trusts	9,00,00
	Other Loans	22,56,86
Capital Outlay on Forests .	Andaman Forest Department	9,01
	Forest Research Institute and College, Dehra Dun	12,34
Purchases of food grains .	Construction of Storage Godowns under the Scheme of purchase of food grains . . .	70,00
Other Capital Outlay of the Ministry of Food and Agriculture.	Expansion of Indian Agricultural Research Institute	7,12

(In thousands of Rupees)

DEMAND	PARTICULARS	Amount
	Central Potato Research Institute	3,89
	Central Rice Research Institute	5,62
	Land Reclamation Scheme	1,54,02
	Grow More Food Schemes in Part 'C' States .	80,00
	Construction of Sugar and Sugarcane Research Institute, Bhadruk	35,00
	Development of Marine Fisheries . . .	25,90
Capital Outlay of the Ministry of Health.	Malaria Control	2,89,94
	Filaria Control	83,78
	Equipment for Medical Colleges and Research Institutions.	50,00
Capital Outlay on Broadcasting.	Broadcasting	2,00,00
Capital Outlay on Multi-purpose River Schemes.	Land and Buildings for Central Water and Research Station, Poona and equipment under T. C. A. .	7,67
Other Capital Outlay of the Ministry of Natural Resources and Scientific Research.	Grant to the Council of Scientific and Industrial Research	55,00
	Oil Exploration Scheme	25,00
	Investment in Share Capital of the National Research Development Corporation . . .	5,00
	Photographic Equipment for the survey of India, through Indo-U. S. Technical Co-operation Scheme.	31,13
Capital Outlay of the Ministry of Production.	Capital Outlay on Salt Works	9,00
	D. D. T. Factory	13,00
	Synthetic Oil Plant	10,00
	Purchase of Shares in the Hindustan Ship Yard Ltd.	33,78
	Purchase of Shares in the Hindustan Cables Ltd. .	40,00
	Purchase of Shares in the Hindustan Machine Tools Ltd.	2,00,00
	Purchase of Shares in the Hindustan Steel Ltd. .	10,00,00
	National Instruments Factory	32,00
	Heavy Electrical Equipment Factory . .	50,00
	Penicillin Factory	56,00
Capital Outlay of the Ministry of Rehabilitation	Schemes of compensation for displaced persons	4,00,00
Capital Outlay of the Ministry of States.	Irrigation Development Works in Himachal Pradesh	5,00
	Development grants to Part 'B' States under the Gadgil Committee's report	4,00,00
	Electricity Scheme in Tripura	3,00
	Hydro-electricity Schemes in Manipur . .	5,00
	Electricity Schemes in Kutch	19,79
	Electricity Schemes in Vindhya Pradesh . .	25,00
	Transport Schemes in Manipur	1,16
	Transport Schemes in Himachal Pradesh . .	8,00
	Electricity Schemes in Bhopal	12,47
	Electricity Schemes in Himachal Pradesh . .	9,38
	Capital Outlay on Forests, Vindhya Pradesh .	4,50
	Irrigation Development Works, Kutch . .	20,00
	Industrial Development in Vindhya Pradesh .	1,00
Capital Outlay on Ports .	Capital Outlay on Kandla Port	4,05,02
Capital Outlay on Roads .	National Highways and other Roads . .	13,70,80
Other Capital Outlay of the Ministry of Transport .	Investment in shares of Eastern Shipping Corporation	92,50
New Delhi Capital Outlay	Civil Works Programme	6,62,16
Capital Outlay on Buildings .	Buildings	11,74,64
Other Capital Outlay of the Ministry of Works, Housing and Supply	Industrial Housing Scheme	6,00,00
	TOTAL	3,35,03,46

SECTION II

CAPITAL RECEIPTS AND DISBURSEMENTS

SECTION

CAPITAL

Introductory

This section explains the estimates relating to the capital transactions capital schemes financed by the Central Government, borrowings from the Reserve Bank by way of ways and means advances, and Small Savings cates issued through Post Offices, Treasury Savings Deposits, etc. They deposits, like income tax and excess profits tax deposits, depreciation and Telegraphs, special *ad hoc* funds created from time to time by Government the scope and variety of these miscellaneous items but details of these.

The capital requirements of Government during a year are ordinarily of short term requirements, treasury bills are issued, ordinarily for a through Postal Savings Bank and Cash and Savings Certificates. Thirdly, funds, and under the deposit heads. Fourthly, any sum provided in the is also available, as it is transferred to capital by debit to the revenue sufficient to meet the capital requirements the deficit has to be made good by the sale of *ad hoc* treasury bills to the Reserve Bank. Conversely any revenue deficit or for augmenting the cash balances of Government.

The statement below summarises the capital transactions included in from which capital requirements will be met:—

SUMMARY OF

RECEIPTS

(In lakhs of Rupees)

	Budget 1953-54	Revised 1953-54	Budget 1954-55
New Loans	1,00,79	77,36	78,28
Net receipts from :			
Treasury Bills	1,10,00	180,00	2,50,00
Treasury Deposit Receipts	—15	—15	..
Treasury Savings Deposits Certificates	9,00	6,50	7,50
Post Office Savings Bank	17,50	13,50	13,50
Defence Savings Bank Deposits	..	—1,22	..
Post Office Cash Certificates	—2,94	—2,36	—2,07
National Savings Certificates	21,93	24,00	26,50
Defence Saving Certificates	—56	—64	—20
Other Unfunded Debt	10,74	13,86	15,39
Railway Depreciation Fund	—7,35	—8,49	—9,70
Revenue Reserve Fund (Railways)	1,08	1,05	1,18
Railway Development Fund	—3,82	—8,52	—4,95
Telephone Development Fund	..	28	—15
P. & T. Renewals Reserve Fund	—40	—35	—20
Other Miscellaneous Reserve Funds	—31	—5	—27
Appropriation for Reduction or Avoidance of Debt	5 00	5,00	5,00
E. P. T. and Income-tax Deposits (net)	—10,92	—15,35	—4,25
Discount Sinking Fund (net)	83	83	1,04
Payment by Reserve Bank for Rupee Coin	5,00	5,00	5,00
Repayment of Loans by States	17,57	18,69	20,90
Other Loan Repayments	2,10	2,47	2,74
Other Deposits and Advances (net)	6,60	73,87	27,84
TOTAL	2,81,69	2,85,28	4,33,08
Deficit on Capital Account	30,57	32,82	..

II

BUDGET

Notes

of the Central Government. These cover the receipts and payments on the market by way of regular loans and treasury bills, borrowing from which comprise the Postal Savings Bank, the Cash and Savings Certifi- also cover a variety of other items such as State Provident Funds, special reserve funds of Government departments like Railways and Posts and and so on. It is difficult, in the compass of a brief note, to indicate fully are given in Part C of the Budget Statement.

met from four sources. Firstly, regular loans are floated and in the case period of three months at a time. Secondly, there is the flow of money there are the receipts into the various depreciation, reserve and other revenue budget for reduction or avoidance of debt or for debt redemption budget. To the extent to which the net receipt from these sources is in- from revenue, the accumulated cash balances and, if neither is available,. surplus of capital receipts over disbursements is available for covering a the budget for the current and ensuing years and indicates the sources

CAPITAL TRANSACTIONS

DISBURSEMENTS

(In lakhs of Rupees).

	Budget 1953-54	Revised 1953-54	Budget 1954-55
Capital Outlay :—			
Railways	18,97	17,78	33,93
Irrigation	40	40	25
Posts & Telegraphs	7,60	7,72	11,49
Industrial Development	6,75	7,43	24,10
Aviation	2,32	2,17	3,34
Broadcasting	47	32	1,24
Ports	3,25	2,65	5,31
Mint	50	33	72
New Capital at Delhi	1,59	1,30	6,07
Multi-purpose River Schemes	3,80	4,38	3,94
Electricity Schemes	45	23	76
Civil Works	17,82	13,98	25,05
Commutation of Pensions	39	30	26
Sterling Pensions	—7,16	—7,16	—7,05
Defence Capital Outlay	15,00	10,36	17,75
Schemes of Government Trading	3,52	13	—3,11
Development Grants	..	..	16,00
Other Civil Heads	97	1,58	5,70
Discharge of Permanent Debt	1,19,62	1,16,50	53,02
Advances to State Governments	93,28	1,18,37	1,78,79
Other Loans and Advances	22,72	19,33	29,06
TOTAL	3,12,26	3,18,10	4,06,62
Surplus on Capital Account	..	..	26,46
	3,12,26	3,18,10	4,33,08

NOTES ON CAPITAL TRANSACTIONS

RECEIPTS

New Loans.—The current year's budget took credit for Rs. 100 crores from market loans taking into account the fact that the market would be receiving about Rs. 115 crores from the discharge of the 3 per cent Loan 1953—55. It was possible to borrow only Rs. 75 crores during the year. For next year credit has been taken for a similar amount.

In addition receipts from dollar loans from the International Bank for Reconstruction and Development will amount to Rs. 2·07 crores this year and Rs. 3·28 crores next year.

Treasury Bills.—The net expansion of treasury bills in the current year is now estimated at Rs. 80 crores against Rs. 110 crores taken in the budget. The improvement is mainly due to the larger cash balances which were available from the preceding year and which helped to meet part of the capital deficit. For next year a net expansion of Rs. 250 crores has been assumed for reasons explained in the Budget Speech.

On the basis of these estimates the outstanding balance of treasury bills on the 31st March 1954 and 31st March 1955 will amount to Rs. 395·29 crores and Rs. 645·29 crores respectively.

Treasury Deposit Receipts.—The issue of these was discontinued in September 1952 and the provision in the revised estimate is for the repayment of the outstanding balance.

Treasury Savings Deposit Certificates.—The 10-year Treasury Savings Deposits Scheme was introduced with effect from the 1st February, 1951. Under this Scheme deposits in multiples of Rs. 100 are accepted at the offices of the Reserve Bank of India, branches of the Imperial Bank of India conducting Government treasury business and district treasuries and sub-treasuries. These deposits, individual holdings in which are limited to Rs. 25,000, run for ten years and carry interest at 3½ per cent., free of income-tax, interest being paid annually. The depositors have the option of withdrawing the deposits before maturity on refunding a part of the interest drawn by them. On the trend of actuals a net credit of Rs. 6·5 crores has been taken in the revised estimate and of Rs. 7·5 crores in the budget for next year.

Post Office Savings Bank Deposits.—The actuals for the first nine months of the current year show a net credit of Rs. 7·30 crores against Rs. 11·76 crores in the corresponding period of last year. On the basis of the trend of actuals the total net realisations including about Rs. 3 crores for adjustment of interest have been placed at Rs. 13·50 crores in the revised estimate. The drop in the revised is mainly due to larger withdrawals than anticipated. The budget next year follows the revised and also assumes a net credit of Rs. 13·50 crores.

Defence Savings Bank.—The Defence Savings Bank, which was a war-time creation, was closed to further deposits with effect from the 1st July, 1946. The outstandings ceased to carry interest from 1st April, 1947. A sum of Rs. 1·6 lakhs out of the balances is expected to be paid during the current year. The remaining balance of Rs. 1·2 crores will be transferred to "Deposits" and no further provision under this head will be necessary.

Post Office Cash Certificates.—With the issue of National Savings Certificates in 1943. Postal Cash Certificates ceased to attract investments. Their issue was, therefore, discontinued with effect from the 15th June 1947. The total discharges this year and the next year are estimated at Rs. 2·36 crores and Rs. 2·07 crores respectively.

National Savings Certificates.—As a result of the measures taken during the current year to mobilise Small Savings, particularly in the rural sector, and also the intensive drive with the help of Womens' Savings Organisation, the net sale of these certificates is expected to reach Rs. 24 crores this year and Rs. 26·5 crores next year.

Defence Savings Certificates.—These certificates, which were issued during the last war, were discontinued in October 1943 when National Savings Certificates were introduced. Provision now made is for the gradual discharge of the outstanding certificates.

Other Unfunded Debt.—The transactions mainly relate to State Provident Funds and provision has been made for the net anticipated credits.

Railway Depreciation, Reserve and Development Funds.—Provision has been made for the anticipated transactions, details of which appear in the Railway Budget.

Telephone Development Fund.—In connection with the scheme for advance collection of a part of the telephone rents from those who elect to own their own telephones, the lump sum recovered from the subscribers is credited to this fund and is utilised in financing capital expenditure on telephones. The amounts collected are initially credited to revenue and the corresponding payments are treated as expenditure. The appropriations from the fund are taken in reduction of the capital expenditure on Posts and Telegraphs. The credits to the fund this year are estimated at Rs. 58 lakhs and the withdrawals at Rs. 30 lakhs. Next year Rs. 60 lakhs will be paid into the fund and Rs. 75 lakhs withdrawn from it.

Appropriation for Reduction or Avoidance of Debt.—Credit is taken under this head for the usual amount of Rs. 5 crores provided from revenue for the reduction or avoidance of debt.

E.P.T. and Income-tax Deposits.—The transactions this year and next year are expected to result in a net outgo of Rs. 15·35 crores and Rs. 4·25 crores respectively.

Discount Sinking Fund.—When loans are issued, the discount is debited to this head and credit for the face value of the loan taken under 'Permanent Debt'. The discount initially taken to this head is written back to revenue and debited to interest over the period for which the loan is issued.

Payment by Reserve Bank for Rupee Coin.—Credit is taken here for the payment made by the Reserve Bank under Section 36 of the Reserve Bank Act for rupee coin taken by it from Government.

Repayment of loans by States and Other loan repayments.—The principal portion of all repayments is taken here and interest receipts are taken in reduction of expenditure under interest in the case of States and as revenue under XX—Interest in other cases.

Other Deposits and Advances.—The large increase in the receipts in the revised estimate is due to the credit received on account of the substantial Government holdings of securities of the 3 per cent Loan 1953—55 discharged during the year. As the gross payment has been shown on the disbursement side credit has been taken for the value of these securities here

DISBURSEMENTS

Railways.—Details appear in Railway Budget.

Irrigation.—Budget next year provides Rs. 20 lakhs for certain irrigation works in Kutch and Rs. 5 lakhs in Himachal Pradesh.

Posts and Telegraphs.—The distribution of expenditure is given below:—

(In lakhs of rupees)

	Budget 1953-54	Revised 1953-54	Budget 1954-55
Postal	50·00	30·97	1,14·84
Telegraphs	2,16·10	184·16	2,20 08
Radios	13·78	4·20	15 98
Telephones	5,09·90	5,75 97	8,79·10
Fair Price Shops	·01	·35	·62
Stores Suspense	—·01	6·37	—7·00
Deduct—Amount met from Telephone Development Fund	—30 00	—30·00	—75·00
TOTAL	7,59 78	7,72·02	11,48·62

Industrial Development.—Details of the provision are indicated below:—

(In lakhs of rupees)

	Budget 1953-54	Revised 1953-54	Budget 1954-55
1. Grants to the Council of Scientific and Industrial Research	60·00	69·10	55·00
2. Purchase of shares of the Company to acquire Hopkins & Co. (Travancore) Ltd.	11·00	11·00	..
3. Corporation for Mineral & Sand Separation Industry	..	..	20·00
4. Indian Telephone Industries	82·00	82·00	
5. Salt Works	9·00	6·00	9·00
6. Hindustan Shipyard Ltd.	34·16	64·16	33·78
7. Penicillin Factory	64·00	30·00	39·45
8. Machine Tool Factory	143·50	·10	..
9. Hindustan Machine Tools Ltd.	..	50·00	200·00
10. Manufacture of Dry Core Cable	70·00	·04	..
11. National Instruments Factory	39·00	6·50	32·00
12. D. D. T. Factory	7·45	2·00	13·00
13. Heavy Electrical Equipment Factory	10·00	·50	50·00
14. Establishment of Iron and Steel Plant	10·00	23·00	..
15. Hindustan Steel Ltd.	..	4·00	10,00·00
16. Overseas Communications Service	33·50	15·00	36·97
17. Housing Corporation, Delhi	12·50	12·50	7·50
18. Eastern Shipping Corporation	74·00	92·50	92·50

(In lakhs of rupees)

	Budget 1953-54	Revised 1953-54	Budget 1954-55
19. Sindri Fertilisers Factory	..	4·00	..
20. Government Housing Factory	2.00	—·41	·01
21. Hindustan Cables Ltd.	..	50·00	40·00
22. Air Corporation (Indian Air Lines)	..	1,48·00	4,49·37
23. Air Corporation (Air India International	..	55·40	1,60·00
24. Oil Exploration Scheme	..	..	25·00
25. Synthetic Oils	..	..	10·00
26. Investment in Co operative Apex Bank, Bhopal	..		5·00
27. Purchase of Shares of Machinery Manufacturing Corporation	·01	·01	..
28. Sindhu Resettlement Corporation	12·50	12·50	..
29. Civil Explosives Factory	..	..	40·00
30. Collieries	..	4·29	..
31. National Research Development Corporation	..	..	5·00
32. Investment in Co operative Bank Vindhya Pradesh	..	1·[illegible]	1·00
33. Diesel Engine Factory		0·01	..
Total	6,74·62	7,43·20	24,09·58

Descriptive notes on important items mentioned above are given in Section III and Annexure VI hereto.

Aviation.—The provision both in the revised and in the next budget is for the implementation of the development programme of Civil Aviation. Budget next year includes provision for construction of new aerodromes at Chandigarh, Haldwani, Udaipur, Nowgong, Bhagalpur, Calcutta and Hubly and for providing additional facilities at the aerodromes and communication stations.

Broadcasting.—The provision next year is for the installation of medium wave stations at certain important places and for installation of 100 k.w. short wave transmitters at Bombay, Calcutta and Madras.

Ports.—Provision is made under this head for expenditure on the development of Vishakhapatnam Port (details of which appear in the Railway Budget) and the Kandla Port. The revised and the budget estimates include Rs. 2·41 crores and Rs. 4·00 crores respectively in respect of the Kandla Port. Budget next year also includes a provision of Rs. 75 lakhs for outlay on the nearby township of Gandhidham.

Mint.—The cost of construction of the new Mint at Alipore is provided for here.

New Capital at Delhi.—Cost of construction of buildings in New Delhi is booked under this head. Larger provision next year is mainly due to construction of the All India Medical Institute and the Supreme Court and additional office and residential accommodation to meet the increasing needs of Government. Part of the expenditure on the construction of the All India Medical Institute is met out of the contribution received from the Government of New Zealand. The estimates here take into account credits of Rs. 54·55 lakhs and Rs. 54·60 lakhs respectively for sale proceeds of land in New Delhi.

Multipurpose River Schemes.—Provision is made here for the Centre's share for the capital outlay on the Damodar Valley Scheme. As against the provision of Rs. 3·73 crores in the current year the Centre's share is now estimted at Rs. 4·31 crores. A provision of Rs. 3·01 crores has been made in the next year's budget for this purpose. The balance of the provision in both the revised and budget is for the construction of buildings at the Central Water and Power Research Station, Poona.

Electricity Schemes.—The details of the provision are as follows:—

(In lakhs of rupees)

	Budget 1953-54	Revised 1953-54	Budget 1954-55
1. Electric plant for power house at Port Blair	·47	·47	1·77
2. Rural Electrification in Bhuj Nakhatrana Block	8·90	6·00	9·79
3. Extension of service lines to surrounding villages at Mandvi and Bhuj	...		10·00
4. Extension of electric supply in Manipur	·50	·50	5·00
5. Nationalisation of Agartala Electric Supply, Tripura	4·00	3·00	3·00
6. Extension of electricity schemes and installation of new plants in Himachal Pradesh	4·00	4·00	9·38
7. Electricity Schemes in Bhopal	11·95	4·50	12·47
8. Electricity Schemes in Vindhya Pradesh	15·00	4·96	25·00
	44·82	23·43	76·41

Civil Works.—Provision is made in the capital budget for all works estimated to cost Rs. 1 lakh or over. A broad analysis of the sums provided in the revised and budget estimates is given below:—

(In lakhs of rupees)

	Budget 1953-54	Revised 1953-54	Budget 1954-55
National Highways and other Roads	8,55·00	8,47·21	13,32·30
Construction of houses, etc. for displaced persons	4,55·00	3,00·17	3,75·00
Other Buildings	4,72·00	2,51·00	7,97·69*
	17,82·00	13,98·38	25,04·99

*Includes recovery of Rs. 1·95 lakhs from Ford Foundation.

Commutation of Pensions.—The provisions in both the revised and the next budgets are based on the trend of actuals. It is difficult to frame an accurate estimate as the expenditure depends on the flow of applications for commutation.

Sterling Pensions.—The payment made to the U.K. Government for the purchase of annuities for financing the sterling pensions was charged to this head. The capital portion of the annuities received from the U.K. Government is taken to this head as a credit. A total sum of Rs. 224 crores was paid in 1948 for the purchase of these annuities and sums of Rs. 8·99 crores this year and Rs. 8·81 crores next year will be recovered in repayment. Of these recoveries Rs. 1.83 crores this year and Rs. 1.76 crores

next year will be adjusted in reduction of interest charged and the balance, representing the capital portion of these annuities, taken under this head.

Defence Capital Outlay.—Details appear in the Defence Budget. Credit has been taken under this head for Rs. 1·80 crores this year and Rs. 2·30 crores next year on account of realisation of sale proceeds of surplus stores.

Schemes of Government Trading.—This head accommodates the receipts and payments in connection with the various schemes of State trading, the most important of which is purchase of foodgrains. The net credit in the budget estimates is due to more recoveries by the sale of foodgrains.

Development Grants.—It has been decided in consultation with the Comptroller and Auditor General to debit initially to capital, grants for certain purposes to State Governments, etc., and write them back to revenue over a period of fifteen years so as to even out the burden of the revenue budget and stagger it over a reasonable period. Reasons for the change in classification have been fully explained in the budget speech.

Other civil heads.—Broad details of the provision are given below:—

(In lakhs of rupees)

	Budget 1953-54	Revised 1953-54	Budget 1954-55
Capital outlay on Forests	27·20	22·80	28·76
Capital outlay on schemes of Agricultural Improvement	43·85	110·51	125·56
Payment to displaced persons	...	...	400·00
Other Capital heads (Security Press, Currency, etc.)	26·03	24·71	15·99
TOTAL	97·08	158·02	570·31

The provision for capital outlay on Forests is in respect of buildings and equipment for the Forest Research Institute, Dehra Dun, and on the development of the Forest Department in the Andamans. Increase in the next year's provision is mainly due to the colonisation schemes in the Andamans.

The provision for capital outlay on schemes of Agricultural Improvement is mostly for Grow More Food schemes in Part C States which, in the case of Part A and Part B States would have been financed by grant of loans from the Centre.

It has been decided to debit initially to capital the cash payments to displaced persons from West Pakistan under the interim compensation scheme announced in November 1953 and write back the debit to revenue over the next fifteen years. A provision of Rs. 4 crores has been made in the budget for these payments.

Discharge of Permanent Debt.—The provision for the Central share of the outstanding debt of certain Part B States which were expected to be discharged during the course of the year was not utilised as the State Governments have the option to discharge loans, which, however, they did not exercise. Next year provision has been made for the discharge

of the 2¼ per cent. Loan 1954 which falls due for payment in November 1954 and the 3½ per cent Loan 1954—59 which Government have the option of repaying. The budget also includes a provision of Rs. 3·02 crores from the International Bank for Reconstruction and Development and Rs. 2 crores for the possible discharge of the Central share of State loans.

Advances to State Governments.—Broad details of the advances are given below:—

(In lakhs of rupees)

	Budget 1953-54	Revised 1953-54	Budget 1954-55
Irrigation loans	46,27	50,87	66,22
Miscellaneous Development Loans	26,22	37,08	45,16
Loans for Rehabilitation of Displaced Persons	10,30	6,49	12,45
Loans for Grow More Food Schemes including Tube-well Schemes and agricultural finance	27,86	23,70	41,12
Loans for Community Development and National Extension Projects	11,00	3,87	11,85
Loans for Industrial Housing Schemes	4,84	2,40	6,00
Loans for relief work in Natural Calamities and improvement in scarcity areas	3,00	7,40	17,00
Loans for Development of Handloom and Small Scale Industries	...	1,53	2,30
Other Loans	1,71	26,86	12,31
	1,31,20	1,60,20	2,14,41
Less—Amount met from Special Development and other Funds.	—37,92	—41,83	—35,62
Net	93,28	1,18,37	1,78,79

The loans for development purposes included above will be met partly out of the Special Development Fund and other Funds as indicated below:—

(In lakhs of rupees)

	Budget 1953-54	Revised 1953-54	Budget 1954-55
(i) Special Development Fund	37,45	39,68	32,97
(ii) Fund for benefit of cotton growers	47	60	50
(iii) Sugar (Temporary) Excise Fund	...	15	18
(iv) Fund for development of handloom and khadi industries	...	1,40	1,97
Total	37,92	41,83	35,62

Other Loans and Advances.—Loans to local bodies, foreign Governments, Port Trusts and various institutions are shown under this head. Details are given in the Demands for Grants.

DEBT POSITION OF THE GOVERNMENT OF INDIA.

The outstanding public debt of the Government of India is expected to amount to Rs. 2,131 crores at the end of the current year and Rs. 2,406 crores at the end of 1954-55.

A broad analysis of the debt compared with the debt at the end of 1938-39 is given below: —

(In crores of Rupees)

Particulars	As on 31st March, 1939	As on 31st March, 1954	As on 31st March, 1955
Rupee Loans :			
Current Loans	437.87	1,366.05	1,391.29
Treasury Bills and Ways and Means Advances	46.30	405.29	655.29
Treasury Deposit Receipts	..	..	..
Special Floating Loan	..	212.60	212.60
Expired Loans	.65	8.76	8.94
TOTAL	484.82	1,992.70	2,268.12
Sterling Loans :			
Current Loans	396.50	1.13	.75
War Contribution	20.62	20.62	20.62
Capital portion of Railway Annuities	47.82	4.33	3.18
Expired Loans	.01	.05	.05
TOTAL	464.95	26.13	24.60
Dollar Loans	..	111.80	113.36
GRAND TOTAL	949.77	2,130.63	2,406.08

The liability for the British war loan remains suspended while the outstanding Railway annuities are covered by an equivalent deposit with the United Kingdom Government, who provide the necessary sterling as the payments fall due. Omitting these items, the total outstanding debt will be Rs. 2,106 crores at the end of the current year and Rs. 2,382 crores at the end of 1954-55. At the end of the budget year the outstanding debt would, as compared with the figure at the end of 1938-39, have risen by Rs. 1,501 crores.

In addition the Government are liable to repay the balances in the various Provident Funds, the Post Office Savings Banks, the Post Office Cash and National Savings Certificates, the Depreciation and Reserve Funds of the Railways, Posts and Telegraphs etc. and certain other deposits, mainly relating to Excess Profits Tax and Income-tax. These balances are estimated to amount to Rs. 786 crores at the end of the current year and Rs. 829 crores at the end of 1954-55, after making a very rough allowance for Pakistan's probable share in them. Taking the regular debt

and these liabilities together the debt position of the Government of India will stand as follows:—

(In crores of Rupees)

	On 31st March, 1954	On 31st March, 1955
Regular Loans	2,130·63	2,406·08
Other Liabilities	785·80	829·21
British War loan and Railway Annuities	—24·95	—23·80
TOTAL	2,891·48	3,211.49

This outstanding debt may be analysed with reference to the purpose on which the money has been utilised or the assets by which it is covered. An analysis is given below:—

(In round crores of Rupees)

	As on 31st March, 1954	As on 31st March, 1955
Railways	875	909
Posts and Telegraphs and other Commercial Departments	88	105
Loans and advances (including outstanding debt due from Burma)	531	715
Purchase of annuities for sterling pensions	178	171
Subscription to the International Monetary Fund and World Bank	213	213
Debt due from Pakistan	300	300
Cash and other investments	109	130
TOTAL	2,294	2,543

Allowing for these, the uncovered debt will amount to Rs. 668 crores at the end of the budget year against the pre-war figure of Rs. 188 crores. The whole of this cannot however be called unproductive debt, for the large grants to States for development in recent years are not entirely unremunerative, and similarly, the large capital outlay on Central property, the value of which is either not shown at all in the Government's accounts or is shown as non-commercial (such as the capital outlay on New Delhi and Defence capital outlay) is not without value.

The statement below analyses the interest bearing obligations of the Government of India and the interest yielding assets held by them.

Interest-bearing obligations and interest-yielding assets of the Government of India.

(In crores of Rupees)

	(At the end of)		
	1938-39 (pre-war year)	1953-54 Revised	1954-55 Budget
INTEREST BEARING OBLIGATIONS :			
In India—			
PUBLIC DEBT—			
Loans	437·87	1,366·05	1,391·29
Treasury Bills and Ways and Means Advances .	46·30	405·29	655·29
TOTAL—PUBLIC DEBT (INDIA) . .	484·17	1,771·34	2,046·58
UNFUNDED DEBT—			
Service Funds	1·03	·40	·38
Post Office Savings Bank Deposits including Defence Saving Bank	81.88	231·12	244·62
Post Office Cash and Defence Savings Certificates	59·57	7·45	5·18
National Savings Certificates	..	183·85	210·35
State Provident Funds	72·40	126·26	141·84
Ten-Year Treasury Savings Deposit Certificates .	..	32·45	39·95
Other Items	10·25	12.13	12·44
TOTAL—UNFUNDED DEBT (INDIA) .	225·13	593·66	654·76
DEPOSITS—			
Depreciation, Development and Reserve Funds .	27·34	171·96	157·86
Others Deposits	..	16·89	13·78
TOTAL—DEPOSITS (INDIA) . . .	27·34	188·85	171·64
TOTAL—OBLIGATIONS IN INDIA . . .	736·64	2,553·85	2,872·98
I England—			
PUBLIC DEBT—			
Loans	396·50	1·13	·75
War Contribution	20·62	20·62	20·62
Capital Portion of Railway annuities in purchase of Railways	47·82	4·33	3·18
TOTAL—PUBLIC DEBT (ENGLAND) . .	464·94	26·08	24·55

(In crores of Rupees)

	1938-39, (pre-war year)	1953-54, Revised	1954-55, Budget
UNFUNDED DEBT—			
Service Funds (England)	4.18	2.89	2.82
TOTAL—OBLIGATIONS IN ENGLAND	469.12	28.97	27.37
DOLLAR LOANS	..	111.80	113.36
TOTAL—INTEREST-BEARING OBLIGATIONS	1,205.76	2,694.62	3,013.71
INTEREST YIELDING ASSETS—			
Capital advanced to Railways	725.24	875.16	909.14
Capital advanced to other Commercial Departments	27.42	88.24	105.24
Investments in commercial concerns	..	27.14	48.15
Capital advanced to States	123.28	422.00	579.89
Other interest-bearing loans	20.71	60.78	87.11
Debt due from Burma	49.73	48.15	48.15
Deposits with the U. K. Government for redemption of Railway annuities	..	4.33	3.18
Purchase of annuities for Sterling Pensions	..	178.03	170.98
Debt due from Pakistan	..	300.00	300.00
TOTAL.—INTEREST-YIELDING ASSETS	946.38	2,003.83	2,251.84
Cash and Securities held on Treasury Account	30.30	70.44	70.71
Balance of total interest-bearing obligations not covered by above Assets	229.08	620.35	691.16

NOTE 1.—The outstandings at the end of each year are shown in the statement. The accounts for years 1947-48 (pre-partition), and 1952-53 have not yet been closed and the figures have, therefore, been worked out on the best information available.

NOTE 2.—Sterling obligations have been converted into Rupees at 1 *sh.* 6 *d.* to the Rupee.

NOTE 3.—Under Unfunded Debt, Deposits and Interest-yielding assets allowance has been made on a rough basis for the share allocable to Pakistan.

NOTE 4.—The figure entered for debt due from Pakistan is a very rough guess.

SECTION III

NOTES ON IMPORTANT SCHEMES

SECTION III

NOTES ON IMPORTANT SCHEMES

The notes in this section, which deal largely with capital schemes, have been arranged by Ministries.

MINISTRY OF COMMERCE AND INDUSTRY

KHADI INDUSTRIES

Early in January, 1953, the All-India Khadi and Village Industries Board was set up *inter alia* to advise the Central Government on measures considered necessary for the development of the Khadi Industry, which provides subsidiary occupation to the villagers and is an important means of providing against unemployment and under-employment.

The Board programmed to increase the production of khadi and for this Government sanctioned a loan of Rs. 91 lakhs and an advance of Rs. 65 lakhs as recoverable expenditure to the Sarva Seva Sangh, registered societies and the Khadi Board. Out of this a loan of Rs. 54·84 lakhs has been drawn by the various societies upto 31st December, 1953, and funds to the extent of Rs. 13,25,000 have been drawn from the recoverable expenditure.

It was also agreed to allow rebate at -/3/- per rupee on all sales of khadi. Since the grant of this rebate, the sale of khadi has been brisk. The total sale of khadi by the end of December, 1953, is expected to be about Rs. 1 crore.

The Board received enquiries for the purchase of khadi for Government to the tune of about Rs. 62 lakhs, and khadi worth about Rs. 1·5 lakhs has already been supplied to Government. The rest of the order is being finalised. The Board has also received enquiries from Government for blankets worth about Rs. 96 lakhs and the supply is under negotiation.

The Board has started spinning classes in jails and a Vidyalaya for training khadi workers.

COTTAGE AND VILLAGE INDUSTRIES

As village industries have a central place in rural development programmes, the Central Government constituted the All India Khadi and Village Industries Board which is responsible for preparing and organizing programmes for the production and development of village industries, including training of personnel, etc. The programmes which have been drawn up by the Planning Commission include development of the following village industries:—

1. Village Oil Industry
2. Soap-making with Neem Oil
3. Paddy husking
4. Palm Gur Industry
5. Gur and Khandsari
6. Leather Industry
7. Woollen Blankets
8. High-grade hand-made paper, and
9. Bee-keeping.

The central object of the programme is to secure the fullest development of these industries on village and cottage industries basis and thus to solve the problem of un-employment and semi-employment in rural

areas. The State Governments have been given a sum of Rs. 4·7 lakhs for the development of these industries.

With a view to conducting a survey of the problems of village and small scale industries, Government have invited an international team under the auspices of the Ford Foundation to visit India for conducting such a study and making recommendations. The team is already touring selected areas in India and it is expected that their recommendations would be available to Government by the end of the financial year 1953-54. It is proposed to set up after this survey a multipurpose Institute for village and small scale industries which would assist and 'service' such industries in all aspects.

A sum of Rs. 2 crores—Rs. 1·15 crores as grants and Rs. ·85 crore as loans—has been provided in the Budget Estimates for 1954-55.

DEVELOPMENT OF HANDLOOM INDUSTRY

The All-India Handloom Board was constituted by Government in October, 1952, to advise Government on the problems of the handloom industry and how best to place it on an economic footing, with the assistance of the fund created by the levy of an additional excise duty @ 3 pies per yard on mill cloth. The main problems of the industry are those of organisation and improving economic efficiency. A co-operative form of organisation is one of the objects for which the money set apart for the development of the industry is to be utilised.

Out of Rs. 5 crores (3 crores as grants and 2 crores as loans) set apart for the industry for 1954-55, approximately Rs. 3·5 crores have been earmarked for distribution to the States on the basis of their estimated handloom cloth production, which takes into account not only the number of handlooms but also the quantum of deliveries of yarn to each State.

The All-India Handloom Board has laid down certain basic principles for the formulation of development schemes by the States and also for the grant of financial assistance both by way of loans and by way of grants. Grants and loans amounting to over Rs. 1·38 lakhs and Rs. 1·25 lakhs respectively were sanctioned upto the 25th January, 1954. A small grant was also sanctioned to the Indian Standards Institution to expedite the formulation of standard specifications for handloom products. Government have also sanctioned a grant to Visva Bharati, Santiniketan, for experiments for a standard loom.

A scheme for the internal marketing of handloom cloth sponsored by the Handloom Board has been sanctioned by Government. In pursuance of this scheme, a Central Market Organisation has been set up with headquarters at Madras, and regional offices at Madras, Bombay and Banaras. Three more regional offices at Nagpur, Gwalior and Calcutta have also been recently started. This organisation will be responsible for (a) the organisation of weavers on co-operative lines, (b) assisting in the marketing of handloom cloth within the country including research, propaganda and publicity for handloom products. The Central Office at Madras has already started a regular publicity campaign, has participated in the Khadi and Industries Exhibition and has been making 'on the spot' studies of the present state of the handloom industry at several centres.

A scheme for the marketing of handloom products in foreign markets has also been sanctioned by Government. This scheme will cost about Rs. 3,50,000 and envisages the appointment of Marketing Officers at Rangoon, Colombo, Singapore and Baghdad and opening of emporia of handloom products at Singapore, Bangkok, Rangoon, Chittagong, Karachi and Aden. The Marketing Officers are about to be appointed. The scheme

will be implemented by the Madras State Handloom Weavers Co-operative Society who will contribute Rs. 63,000 and the balance amount is to be given by Government. Out of Government's share of Rs. 2,87,000 for the scheme, sanction for advance payment of over Rs. 71,000 to the Society has been issued.

On the recommendation of the Handloom Board, sanction has been given for the setting up of a Central Designs Section for the handloom industry at an estimated cost of Rs. 20,000. This Section will be concerned with the formulation of proper designs for the industry's products. Government have sanctioned an expenditure of Rs. 1,32,000 towards publicity and propaganda. As a further measure of propaganda, it has been decided to observe a Handloom Week in March, 1954, at an estimated cost of Rs. 1,35,000.

HANDICRAFTS

The development of handicrafts was entrusted to an All-India Handicraft Board which was constituted in November, 1952. During 1953-54 Government have sanctioned subsidies amounting to Rs. 5·14 lakhs by way of loans and grants for specific schemes in particular handicraft industries. A sum of Rs. 50 lakhs—Rs. 45 lakhs as grants and Rs. 5 lakhs as loans—has been provided in the Budget Estimates for 1954-55 for further assistance to various handicraft industries.

EXHIBITIONS & SHOWROOMS ABROAD

With a view to stimulate exports, wide publicity to our exportable products is being given by means of participations in important International Fairs, by holding wholly Indian Exhibitions and through permanent commercial show-rooms. During 1953-54 ten exhibitions in different parts of the world were arranged and about 15 such exhibitions are expected to be arranged during the next year. A sum of Rs. 17 lakhs has been provided in the Budget Estimates for 1954-55 for this purpose. A special scheme to establish a show room *cum* wholesale depot in Canada in collaboration with organised business in that country has also been devised to stimulate export of handlooms and handicrafts. A provision of Rs. 20 lakhs has been made for this purpose.

SILK INDUSTRY

The amended Central Silk Board Act now covers the silk industry generally instead of the raw silk industry. During 1953-54 the Central Silk Board has made grants for specific schemes of research, improvement of quality of non-mulberry silk etc. Attempts are being made to reduce the price of raw silk by production of raw silk under improved methods, increasing the sales and also to find markets for Indian Silks abroad. A sum of Rs. 40 lakhs is proposed to be given as a grant to the Central Silk Board during 1954-55.

THE INDIAN IRON & STEEL COMPANY

In 1949-50, Government sanctioned a loan of Rs. 5 crores to the Indian Iron & Steel Co. and The Steel Corporation of Bengal together for completing the first phase of their expansion schemes which would raise the production of coke and pig iron in the works of the former and the production of finished steel in the works of the latter. This scheme is nearing completion.

The two companies have been amalgamated with effect from 1st January, 1953, under the Iron & Steel Companies Amalgamation Act, 1952, and the re-constituted company is known as The Indian Iron and Steel Company.

This company has undertaken a further substantial expansion of its works which will raise its annual production capacity ultimately to 620,000 tons of finished steel and 500,000 tons of foundry pig iron for sale, by 1956-57 *or* alternatively 700,000 tons of finished steel and 400,000 tons of pig iron for sale. The estimated total cost of the entire scheme is Rs. 35 crores. For financing this scheme, the company has secured a loan of 31,500,000 dollars from the International Bank for Reconstruction and Development under the Government of India's guarantee.

The Government of India have for this purpose also agreed to give, in addition to the loan of Rs. 5 crores granted in 1949-50, a loan of Rs. 2·9 crores and a special repayable advance of Rs. 10 crores.

Against the consolidated loan of Rs. 7·9 crores, a sum of Rs. 2·50 crores was paid up to 1951-52 and an amount of Rs. 84·53 lakhs during 1953-54.

EXPANSION OF MYSORE IRON & STEEL WORKS

Government sanctioned a loan of Rs. 40 lakhs in 1951-52 and Rs. 27 lakhs in 1952-53 to the Mysore Government for the expansion of Mysore Iron & Steel Works at Bhadravati. Out of Rs. 85 lakhs required during 1953-54 a sum of Rs. 81·28 lakhs has already been paid and a provision of Rs. 100 lakhs for installation of additional plant has been made in the Budget for 1954-55. It is proposed to instal a spun cast iron pipe plant (for the production of about 17,000 tons of spun pipes per annum), a sintering plant (for lumping powdered iron ore before treatment in the furnaces) and an alloy tool and special steels plant. The installation of these plants would yield about 50,000 tons of good quality foundry pig iron per year for consumption by Indian foundries.

Construction of two electric furnaces (each with a capacity of 100—110 tons of pig iron per day) has already been completed and operations have begun. When they come into full production, an additional quantity of nearly 70,000 tons of pig iron would be available per annum.

STEEL IMPORTED UNDER THE INDO-AMERICAN ECONOMIC AID PROGRAMME

The shortage of steel is a major obstacle in India's economic development. The normal annual production in the country is approximately 1 million tons, while the estimated annual demand is approximately 2·3 million tons. The gap between the production and demand is proposed to be met partly by importing 200,000 tons of the categories particularly in short supply under the Indo-American Economic Aid Programme. The agreement, which has been entered into with the Government of the United States of America, provides that that Government will make available for the purpose 25·5 million dollars representing the total estimated cost of the 200,000 tons and the Government of India will contribute Rs. 15 million representing the customs duty, handling and clearing charges etc. to be incurred in importing and distributing the steel in India. Accordingly, provision has been made in the Budget for the estimated expenditure on the distribution of the steel proposed to be imported which includes the estimated cost based on prices in world markets and the expenditure in India on customs duty, handling and clearing charges etc. The expenditure will be recouped partly by the sale proceeds of the steel, partly by credits from the funds made available by the United States Government and partly from the Iron & Steel Equalisation Fund.

MINISTRY OF COMMUNICATIONS

CALCUTTA AUTOMATISATION SCHEME

A scheme for replacing the manual telephone system by the automatic system was sanctioned by Government in January, 1949, at a cost of Rs. 13·40 crores. This scheme has now been revised, the revised cost being Rs. 14·20 crores approximately. The expenditure by the end of March, 1954, is expected to be Rs. 6·50 crores approximately. The project provides for 57,000 lines out of which, 14,000 lines have already been cut in by August, 1953. A sum of Rs. 1·59 crores has been provided in the Budget Estimates for 1954-55.

EXPANSION OF BOMBAY TELEPHONE SYSTEM

A scheme for expanding the system by 18,200 lines was sanctioned by the Government in March, 1950, at a cost of Rs. 3·16 crores. About 6,500 lines have already been installed. The approximate expenditure upto March, 1954, will be Rs. 2 crores. A sum of Rs. 57 lakhs has been provided in the Budget for 1954-55.

EXPANSION OF HYDERABAD TELEPHONE SYSTEM

A scheme to instal 2,800 lines in Hyderabad was approved by the Government of Hyderabad before the financial integration. Part of the equipment is already on site. The buildings to take the new equipment are ready. Installation will start shortly. A provision of about Rs. 25 lakhs has been made in the Budget for 1954-55.

OLD DELHI (TIS HAZARI) EXCHANGE REHABILITATION SCHEME

A scheme for installing 4,000 lines for this exchange was approved in December, 1947, at a cost of Rs. 45 lakhs approximately. This exchange has been put into service. As there was a demand for more new telephones, the scheme has been revised to provide for 8,000 lines. The revised cost is Rs. 1·45 crores. An expenditure of about Rs. 70 lakhs has already been incurred and a provision of Rs. 11 lakhs has been made in the Budget for 1954-55.

MADRAS TELEPHONE EXPANSION SCHEME

A scheme for expansion of the Madras system by 3,000 lines was sanctioned by Government in September, 1951, at a cost of Rs. 54 lakhs. Meanwhile, due to the increased demand for new telephones in the central area of Madras, another scheme for installing an 8,000 line automatic exchange in replacement of the existing 3,500 automatic exchange which has served its useful life, is being taken up. The revised cost of the two schemes put together is expected to be Rs. 1·55 crores. The equipment for 3,000 lines is expected to arrive next year. A provision of Rs. 18 lakhs has been made for this purpose in the Budget Estimates for 1954-55.

INDIAN TELEPHONE INDUSTRIES

The Indian Telephone Industries is the only factory in India which is engaged on the manufacture of automatic telephone and carrier equipment. It is run as a private limited company with Government as

the major share holder. The share holdings are as under:—

	Rs.
Government of India	2,10,74,500
Government of Mysore	31,25,000
Automatic Telephone and Electric Co. Ltd.	8,00,500
TOTAL	2,50,00,000

The authorised capital of Rs. 2·5 crores of the company is fully subscribed as above. The production targets fixed for the Plan period (*i.e.* 25,000 telephones and 20,000 exchange lines) have already been achieved and new targets (60,000 telephones and 40,000 exchange lines) have now been fixed for the remaining Plan period. For achieving these increased targets it has become necessary to incur additional capital expenditure on expansion of factory building, machinery, tools and plants and to provide increased working capital for the purchase of raw materials etc. for the factory. It is estimated that additional expenditure to the extent of Rs. 2·5 crores will have to be incurred during the 3 years 1953-54 to 1955-56. A sum of Rs. 82 lakhs has been provided for this purpose during 1953-54, Rs. 85 lakhs are being provided in the Budget Estimates for 1954-55 and the balance of Rs. 83 lakhs is expected to be provided during 1955-56.

During 1952-53, the factory produced 22,444 telephones as against 21,049 during 1951-52. Manufacture of dials and condensers, the only two remaining items of a telephone instrument, have also been taken in hand and it is expected that their production on a large scale will be taken up during the next two years.

Consequent on the increase of production the value of finished goods during the year 1952-53 increased to Rs. 51,61,726 as against Rs. 18,19,934 in 1951-52. A number of tools and jigs and spare components were also fabricated during the year.

The Company's turn-over during 1952-53 was Rs. 1,91,23,278 as against Rs. 1,59,63,738 during 1951-52, resulting in a net profit of Rs. 14,29,349 as against Rs 1,78,831 during 1951-52.

AIR TRANSPORT CORPORATIONS

With a view to placing the air transport industry in the country on a sound and rational basis, it was decided in 1952-53 that all scheduled air transport operations should be nationalised. To enable this to be done, the Air Corporations Act was passed. Under this Act, two Corporations, namely, Indian Airlines Corporation and Air-India International were constituted in June, 1953. These Corporations took over, with effect from the 1st August, 1953, all scheduled air transport operations which were being operated by nine private companies. The integration and rationalisation of the existing internal airlines, with their workshops, staff and other facilities are in hand but it will be sometime before the effects of nationalisation of the air services become apparent. As envisaged earlier, the Indian Airlines Corporation is likely to incur losses in its initial stages. The losses for the first eight months of its operation *viz.*, August, 1953 to March, 1954 are estimated at Rs. 57·30 lakhs and it is proposed to grant a loan to the Corporation in the year 1954-55 for meeting these losses. A provision of Rs. 57·30 lakhs has accordingly been made in the Budget Estimates for 1954-55.

Air-India International which has taken over the scheduled services operated by Air India International Ltd., is now operating a four weekly service to U.K. and a weekly service to Nairobi in East Africa. The immediate development plans of the Corporation include an increase in the services to U.K. and possibly East Africa, extension of the service from U.K. to U.S. and operation of services to the East, *viz.*, Hongkong, Tokyo and possibly to Australia. This expansion of the activities of the Air India International requires that their fleet should be strengthened. It is also necessary that in order to enable the Corporation to compete favourably with other powerful international operators its aircraft should compare in performance, comfort, and facilities offered, with the aircraft used by other operators. A sum of Rs. 449·37 lakhs has accordingly been provided in the Budget for 1954-55 for meeting the expenditure on the purchase of 5 new aircraft with spare parts and for meeting other items of capital expenditure.

Similarly, a provision of Rs. 1·60 crores has also been made for the purchase of new aircraft for the Indian Airlines Corporation for its night airmail services and for meeting other items of capital expenditure.

MINISTRY OF FINANCE

NEW MINT AT ALIPORE (CALCUTTA)

The new India Government Mint at Alipore, Calcutta, construction of which was taken in hand in 1941, was formally opened in March, 1952. As scheduled, the old Calcutta Mint was formally closed with effect from 1st April, 1953, with its assets and liabilities transferred to the new Mint, which is now in full swing. Some minor building items, which were to be completed by the end of the year 1953-54, are, however, expected to go over to the year 1954-55. A provision of Rs. 8,22,500 has accordingly been made in the Budget Estimates for 1954-55.

Of the total estimated capital cost of Rs. 2,35 lakhs, a sum of Rs. 2,27 lakhs approximately will have been spent by the close of the year 1953-54.

COMMUNITY DEVELOPMENT PROGRAMME

The central object of the programme is to secure the fullest development of the material and human resources of rural areas. For the attainment of this object, the programme comprises intensive work for agricultural development, social education, improvement in the health of the population and introduction of new skills and new occupations so that the programme as a whole can lift the rural community to higher levels of organisation and arouse enthusiasm for new knowledge and new ways of life.

The development programme under the Indo-U.S. Operational Agreement No. 8 was taken up on 2nd October, 1952, on a three year basis. The programme comprises 55 projects. Each project comprises roughly about 300 villages with a population of about 2·90 lakhs and an area of about 450-500 sq. miles. The dimensions of a development block are a third of those of a project, three such blocks making a full project. These projects and development blocks have been spread throughout the country. The estimated ceiling expenditure on a rural community project of the basic type is Rs. 65 lakhs.

The total estimated cost of these 55 Community Development Projects envisaged under Indo-U.S. Operational Agreement No. 8, is $8,671,000 and Rs. 34,38,34,000. The dollar portion of the cost will be contributed by the United States Technical Co-operation Administration in the form of equipment. Approximately 55 per cent of this is expected to be given as loan to the State Governments. The rupee cost of the programme will be shared between the Central and State Governments.

The Central Government's share of the cost will be Rs. 32 crores roundly. A part of this amount which is spent on "self-financing schemes" like irrigation, reclamation etc., is paid to State Governments in the form of loans repayable in specified periods. The amounts so recovered will be credited to the special development fund, to be utilized for further projects to be started later.

The development programmes under the supplement to the Operational Agreement No. 8, was taken up on 2nd October, 1953, on a three year basis. This programme is in furtherance of the purposes and objectives of the development programme taken up under the Operational Agreement No. 8.

This programme comprises 55 blocks of rural development, which are located in selected areas in the different States. Each block comprises roughly 100 villages and a population of 66,000. The estimated ceiling expenditure on one block is Rs. 15 lakhs.

The total estimated joint cost of these additional development blocks is $1,925,000 and Rs. 7,33,00,000. The dollar portion of the cost will be contributed by the United States Technical Co-operation Administration in the form of equipment. The rupee portion of the cost will be shared by the Government of India and the State Governments in the same proportion as in the case of the expenditure under the main operational agreement. The share of the Central Government in the rupee cost is Rs. 5¾ crores.

NATIONAL EXTENSION ORGANISATION

In pursuance of the recommendations of the Planning Commission, a National Extension Service has been organised to cover about one-fourth of the country during the Plan period 1951-56. This would mean initiation of work in 1,200 Development Blocks, each block consisting of 100 villages and covering a population of about 66,000. The 55 community projects and the additional 55 Development Blocks taken up under the T.C.A. are regarded as equivalent to 300 Development Blocks under the revised expenditure pattern of Rs. 45 lakhs per project. The National Extension Service Programme, therefore, envisages the taking up of 900 blocks during the period 1953-54 to 1955-56. The estimated ceiling expenditure on one block is Rs. 7·5 lakhs. The scheme was taken up on 2nd October, 1953, and 252 National Extension Service blocks have so far been allotted during the current financial year.

The total estimated cost of the National Extension Service Programme for three years is Rs. 38¼ crores, which will be shared between the Central and the State Governments. The Central share of the expenditure is estimated at Rs. 16½ crores roundly.

It is also proposed that about 400 Blocks should be chosen from the National Extension Service Blocks for intensive development on the lines of the community development projects during the Plan period. Of these 150 Blocks are proposed to be taken up during 1954-55.

For the implementation of this scheme, 900 Block Development Officers are, therefore, required. The basic object is to transform the existing administrative services into development services. Block Development Officers are being selected from members of the Subordinate Civil Service who were functioning as Tehsildars or Circle Officers in order that they may handle effectively the programme of development in a Welfare State. It has, therefore, been decided to give this personnel a short course of orientation training. With this object a scheme has been sanctioned for the setting up of three training centres. The total cost of the scheme for a period of three years is estimated at Rs. 12,32,700. Out of this the Ford Foundation have agreed to meet the expenditure upto Rs. 8,65,320 which includes a sum of Rs. 1,95,000 on account of construction of buildings such as hostel, lecture-halls and office accommodation etc.

MINISTRY OF FOOD AND AGRICULTURE

PURCHASE OF CHEMICAL FERTILIZERS

The Central Government is running a scheme for the purchase and distribution of chemical fertilizers with a view to popularise their use and make them available to the cultivators in the country at reasonable rates in the interest of maximum agricultural production.

For the first time, the country's total requirement of Sulphate of Ammonia during 1954-55, estimated at about 4 lakh tons, will be met from indigenous sources. A small quantity of about 5,000 tons of other kinds of fertilizers will be imported during the year free of cost under the Indo-U.S. Technical Aid Co-operation Programme for purely experimental purposes. Out of the quantity of sulphate of ammonia, expected to be available from the indigenous sources, about 60,000 tons may have to be supplied to private parties who would pay the cost direct to the producers or other duly authorised agents. Under this arrangement, the producers would pay to Government the difference between the purchase price and the pool selling price as fixed from time to time thereby avoiding investment of Government funds on this quantity.

The Budget provision has, therefore, been made on the basis of procurement and distribution of only 3,40,000 tons of sulphate of ammonia and for the incidental expenses in connection with the import of 5,000 tons of other kinds of fertilizers, on which investment of Government capital is involved.

As the scheme is run on no-loss-no-profit basis, the entire capital invested would be recovered from the purchasers.

LAND RECLAMATION SCHEME

The Central Tractor Organisation started reclamation of kans infested land in 1947-48 with the help of about 100 D-7 caterpillar tractors, taken over from the United States Army Disposals. Encouraged by the success of these old tractors, the Government of India negotiated and obtained a loan of 10 million dollars from the International Bank for the purchase of 375 tractors and ancillary equipment in connection with a scheme for the reclamation of about 3 million acres of land in Central India and for undertaking a pilot project of jungle clearance in Nainital terai area of Uttar Pradesh. Subsequently, however, it was decided to purchase only 270 tractors and, a portion of the loan amounting to 2·5 million dollars was surrendered, thereby reducing the loan amount to 7·5 million dollars.

At the end of 1950-51 operational season all the old tractors were withdrawn excepting one unit of 15 tractors to assist in the jungle clearance operations and a few more as standby in each of the kans clearance units.

An area of over 9 lakhs acres has been reclaimed by the Central Tractor Organisation upto June, 1953, in Uttar Pradesh, Punjab, Madhya Pradesh, Madhya Bharat and Bhopal and an area of over 36,000 acres of jungle has been brought under cultivation in Uttar Pradesh.

The 30 tractors ordered in 1952-53 have gone into operation during the 1953-54 season. The Central Tractor Organisation is now operating 270 tractors, 240 in kans clearance and 30 in jungle clearance.

The Central Tractor Organisation carries out land reclamation operations on the lands made available by the State Governments from whom the entire expenditure incurred by the Central Tractor Organisation is recoverable.

The commercial accounts for 1952-53 have been completed but not yet audited. The latest audited account of the Organisation, therefore, relates to the year 1951-52 which shows a net loss of Rs. 10,55,644 for the new units and Rs. 3,30,195 on old units, taking the outstanding loss at the end of the year 1951-52 to Rs. 31,20,842. The rate of recovery has been raised from the season 1953-54 so that no losses occur in the operations in future. The question of recovering the losses incurred upto the season 1952-53 is receiving the attention of the Government.

TUBE-WELL PROJECT

The Government of India have entered into an agreement with the Government of U.S.A. for the construction of 2,650 production tube-wells and 350 exploratory tube-wells in various parts of the country. The scheme for exploratory wells has been undertaken with a view to obtaining geological and hydrological data required for sound and economical development of ground water resources in hitherto un-explored regions. The Government of India have agreed to give loans to the State Governments for the entire project subject to a monetary ceiling fixed in each case. So far as exploratory tube-wells are concerned, all the tube-wells which prove to be productive will be developed and transferred to the States where the tube-wells are sunk. The cost of such developed and equipped wells will be treated as a loan to the State on the basis of the normal cost of construction of such wells and the economic aspect of the project.

Under agreement, the United States Government will make available the entire amount representing the dollar expenditure under the projects and the Government of India will contribute the rupee part of the expenditure.

A total provision of Rs. 439·03 lakhs has been made in the Budget Estimate for 1954-55 for the above mentioned projects.

MINISTRY OF HEALTH

ALL INDIA MEDICAL INSTITUTE

It has been decided to establish an All-India Medical Institute in the Safdarjang area, New Delhi. This is one of the most important health schemes included in the first Five Year Plan. The Institute will be a first class medical training centre, which will provide undergraduate and postgraduate teaching facilities as also facilities for research. To begin with the Institute will consist of (a) a Medical College, (b) a 550 bed

Hospital, (c) a Dental College, (d) a Nursing College, and (e) a Rural and Urban Health Organisation. The scheme is estimated to cost Rs. 401·53 lakhs non-recurring and Rs. 126·55 lakhs recurring. A provision of Rs. 61·37 lakhs has been made for capital expenditure and a sum of Rs. 27·45 lakhs for revenue expenditure in the Budget Estimates for 1954-55.

MINISTRY OF INFORMATION AND BROADCASTING

BROADCASTING

A sum of Rs. 2 crores has been provided in the Budget Estimates for 1954-55 for installation of 100 K.W. S.W. transmitters each at Bombay, Madras, Calcutta estimated to cost Rs. 24·70 lakhs; 50 K.W. M.W. transmitters each at Bombay, Ahmedabad, Jullundur, Calcutta, Bangalore, Lucknow estimated to cost Rs. 31·44 lakhs; 20 K.W. M.W. transmitters at Jaipur and 10 K.W. M.W. transmitters each at Madras, Indore and Hyderabad estimated to cost Rs. 17·91 lakhs. The construction of buildings for the transmitters at most of these places is in progress and the 50 K.W. transmitters are expected to go on air during 1954-55. The sum provided in the 1954-55 Budget includes provision for starting work on certain low power stations and providing additional facilities.

The above projects when completed will improve considerably the broadcasting services directed to foreign countries and about two-third of India will be covered by medium-wave service.

MINISTRY OF IRRIGATION AND POWER

BHAKRA NANGAL PROJECT

The Bhakra Nangal Project, which is being executed by the Government of Punjab, is the largest multipurpose Project in India and comprises Bhakra Dam across the Sutlej, Nangal Dam, Nangal Hydro-electric canal, two Power Houses on Nangal Canal and Bhakra Canal System. The Bhakra Dam, which is the highest straight gravity dam in the world, will be 680 feet above foundation and will impound 7·40 million acre feet of water out of which 5·6 million acre feet will be utilizable live storage. The river will be diverted by means of two 50 feet diameter tunnels one on each side of the gorge. The Nangal Dam is located eight miles downstream and is a purely diversion work, intended in addition, to form a balancing reservoir to take up the diurnal variations of water releases from Bhakra and thus ensure steady supplies. Water released from the Bhakra will be diverted by the Nangal Dam into the Nangal canal, which is forty miles long and is lined throughout. There will be two Power Houses on Nangal Canal each containing 2 units of 24,000 K.W. The question of installing a power unit of 90,000 K.W. at Bhakra Dam is at present under consideration.

Construction of the Project started in 1946. According to the latest report the right and left diversion tunnels have been completed. The excavation of the abutments for the main dam is in progress. The Nangal Dam is complete except for the erection of gates and gearings. The work on Nangal Hydel channel is nearing completion. The work on Power House No. 1 is well advanced and the superstructure is in hand. Erection of machinery has started and is expected to be completed by July, 1954.

Excavation of the foundation of Power House No. 2 has also been completed and concreting has been started. The work on remodelling the Rupar Headworks and Sirhind Canal is progressing according to schedule.

The work on the Bhakra Canals consisting of 650 miles of main canal and branches and over 2,000 miles of distributaries is nearing completion. Water for non-perennial irrigation of about 6,00,000 acres of land and power are expected to be available by July, 1954. Perennial irrigation will start from 1959 with the completion of the Bhakra Dam.

On the completion of the Project, 5·86 million acres will be covered by the main irrigation net work of the Bhakra Canals; 3·72 million acres of additional area under the Sirhind Canals and 0·53 million acres served by the Bist Doab Canal. The entire 5·86 million acres will not, however, receive irrigation because some areas are high and some uncultivable. It is estimated that only 4·84 million acres can receive the direct benefits of canal irrigation, and that on an average 3 million acres will be under crop each year.

The Project when fully developed will produce 11 lakh tons of additional wheat and other foodgrains, 8 lakh bales of cotton, 5 lakh tons of sugar cane, one lakh tons of pulses and oil seeds and 15 lakh tons of dry and green fodder.

According to the latest Project report, the Project is estimated to cost about Rs. 151 crores. An expenditure of Rs. 60 crores has been incurred upto the end of October, 1953. A provision of Rs. 23·3 crores has been made in the Budget Estimates for 1954-55. The Project is financed by the Governments of Punjab, PEPSU and Rajasthan and the funds to the extent required are advanced by the Central Government to the State Governments concerned in the shape of interest bearing loans.

HIRAKUD DAM PROJECT

The Hirakud Dam Project in the Orissa State, which involves the construction of the longest dam in the world, consists of a dam across the Mahanadi river 9 miles upstream of Sambalpur, with canals for irrigation taking off from the reservoir on both sides and hydro-electric installations. The main dam will be 195 ft. above the deepest foundation and about 3 miles long with 12·8 miles of low earthen dykes on both sides. Due to paucity of funds the Project has been divided into two stages. The first stage which is under execution comprises the main dam and power house along with canals for irrigation in Sambalpur and Bolangir-Patna districts and will enable achieving complete flood control, full irrigation of 4,48,600 acres and a power potential of 85,500 K.W. The second stage, which will be considered for execution later, consists of delta irrigation, the power channel, subsidiary dam and installation of additional power units raising the power potential to 195,000 K.W.

The revised estimate for Stage I recommended by the Hirakud Control Board and at present under consideration of the Government of Orissa, works out to Rs. 70·78 crores.

The Government of India are executing the Project on behalf of the State Government. With effect from May, 1952 a Control Board with the Chief Minister of Orissa as Chairman has been appointed in overall charge of the Project under the general supervision of the Government of India.

Construction of the Project started in 1948. All preliminary works including residential colonies have been completed. A rail-road bridge

over the Mahanadi has been opened for traffic. Work has been done to the extent of 25% on the main dam, 33% on the earth dam, 25% on the right dyke, 72% on the left dyke and 66% on the canal system. Detailed route survey of transmission lines and plotting tower location is nearing completion and orders for the full quantity of conductors, insulators and accessories have been placed out of which 50% have been received at site. Tenders for 132 K.V. double circuit towers have been invited. Details for grid sub-stations are being worked out and 90% of the materials have been ordered. 66 K.V. sub-station equipment is being received at site.

In regard to power, orders have been placed for all the necessary material and equipment including two 24,000 K.W. turbines generator sets and two 37,500 K.W. turbines generator sets with all associated switch gear. The 24,000 K.W. generators are being received at site. Work of fabrication of penstocks has been completed to the extent of about 50%.

According to the latest programme of construction, the dam will be substantially completed and power and irrigation water will be made available by July, 1956.

With the completion of Stage I there will be additional production of paddy to the extent of 45 lakh maunds.

An expenditure of Rs. 27·18 crores has been incurred upto the end of November, 1953 and a provision of Rs. 14·5 crores has been made in the Budget for 1954-55. Interest bearing loans are advanced by the Government of India to the Government of Orissa to meet the entire cost of the project.

HARIKE (FEROZEPUR CANALS) PROJECT

Harike Barrage has been completed and the Highway Bridge over the road linking Fazilka-Ferozepore-Amritsar has been opened to traffic.

The revised estimated cost of the Project is Rs. 14·51 crores. Up-to-date an expenditure of Rs. 5·15 crores has been incurred. A sum of Rs. 75 lakhs has been provided in the Budget Estimates for 1954-55.

RIVER PROJECTS

Apart from the River Valley projects like Bhakra Nangal, Hirakud, Damodar Valley and Tunghabhadra, already under construction, a sum of Rs. 40 crores has been earmarked during the next two years for five multipurpose projects namely:—

1. Kosi,
2. Koyna,
3. Krishna,
4. Chambal, and
5. Rihand.

It is proposed to spend about Rs. 15 crores on these new schemes during the next financial year.

The Kosi and Koyna Projects are expected to be started in the next financial year and the Chambal project is already under execution. The Government of Uttar Pradesh are preparing a plan for the execution of the Rihand Project.

DAMODAR VALLEY CORPORATION

The Damodar Valley Corporation has entered upon the sixth year of the construction programme. The salient features of the Damodar Valley project and the up-to-date progress are briefly given below:—

Bokaro Thermal Plant.—The Bokaro Thermal Station consists of three units of 50,000 K.W. each, with a provision for a fourth unit of the same size. With one unit as stand-by, this power station will be capable of generating 460,000,000 K.W.H. energy a year. All the three units have been brought into commission bringing the construction work to a close. Some minor works such as intermediate structures of the aerial ropeway and a portion of wiring and insulation, however, are in the final stage, all of which are expected to be completed by March, 1954.

Transmission System.—The system consists of the construction of over 500 route miles of 132 KV, 66 KV and 33 KV lines and 29 grid sub-stations. The work is keeping pace with the schedule and most of the equipment and materials ordered have arrived or are expected to arrive in the course of 1954-55. The erection of 268 route miles of 132 KV, 66 KV, and 33 KV, transmission lines has been completed by the end of October, 1953, of which 106 miles of lines are in commercial operation. The construction of further 28 miles of transmission lines now in progress is to be completed before March, 1954. The construction of nine Sub-Stations is completed and four more are in progress. The transmission lines are already in commission for sending out power generated at Bokaro.

Konar Project.—The project provides for a concrete gravity type dam about 910 ft. long with a maximum height of 162 ft. The water from the reservoir, will be utilised for cooling the Bokaro Thermal Station and for providing rabi irrigation for 68,000 acres and kharif irrigation for 36,000 acres. The Konar Dam is nearing completion and has already commenced storing water for cooling the Bokaro Station. The project was scheduled to be completed by June, 1953, but the progress indicates that the earth and concrete portions of the dam may be completed only before the next monsoon.

Tilaiya Project.—The project consists of a concrete gravity type dam 1,147 ft. long with a maximum height of 99 ft. above the river bed and a power house with a capacity of 4,000 K.W. Water released by the reservoir will be enough to provide rabi irrigation for 75,000 acres and kharif irrigation for 24,000 acres. The hydro-electric output has been assumed at 20 million K.W. per annum. Both the dam and the power house have been completed. The generating plants are now in commission. Some minor works, however, remain which are expected to be completed before March, 1954.

Maithon Project.—The project consists of an earth dam and a hydro-electric station with a capacity of 60,000 K.W. The main purpose of the dam is flood control; it will also provide perennial irrigation for 2,70,000 acres. The power station will provide 164,000,000 K.W.H. of energy per annum. Construction work on this project is in full swing. Almost all the construction equipment has arrived and is in use. The diversion tunnel and diversion channel are complete and the earth dam which is in progress is expected to be completed by the middle of 1954. Erection of concroting plant is nearing completion, excavation of right abutment and part of spillway are in progress and concreting will commence shortly. Tenders for partial construction of the underground power station have been invited. The dam is expected to be completed by 1954-55 and the Hydro Station by 1955-56.

Panchet Hill Project.—The project consists of an earth dam 1,800 ft. long with a concrete spillway 1,175 feet long and dykes on both sides and a hydro-electric station with a capacity of 40,000 K.W. The project is primarily concerned with flood control and will also provide perennial irrigation to 6,80,000 acres and the plant will generate 170,000,000 K.W. hours per annum. Excavation of diversion channel is in progress and part of the earth dam is also underway simultaneously. Construction of most of the buildings and staff quarters is complete and those for labourers are in progress. Bulk of the construction equipment is at site and the balance is expected to be transferred from other projects, during 1954-55 when the construction work will gain momentum and be carried out in full swing. The dam is expected to be completed in 1954 and the hydro-station by 1957.

Irrigation Barrage and Canals.—This consists of a concrete barrage at Durgapur, 83 miles long irrigation-*cum*-navigation canal on the left bank 40 miles of irrigation canal on the right bank and 1,430 miles of other canals, branches etc. The system will provide irrigation to an area of 10,25,672 acres. The irrigation-*cum*-navigation canal is expected to develop an annual cargo of 2,000,000 tons. All preliminary works have been completed and construction of grouting and acquisition of land are well under progress. Most of the construction equipment has arrived at site and is in use. Canal work in section is in progress and tenders for the remaining portions are under consideration. The construction period is expected to extend beyond 1956.

The revised cost of the projects is Rs. 88·99 crores distributed as under:—

	Rs. in crores
1. Bokaro Thermal Station including Mining and Ropeway	16·24
2. Transmission System	8·26
3. Konar Project	9·94
4. Tilaiya Project	3·50
5. Maithon Project	13·89
6. Panchet Hill	14·38
7. Irrigation and Barrage	22·78
TOTAL .	88·99

As the project is still under construction, it is too early to work out the financial results. It is estimated that when the construction is complete and the projects are in full operation, there will be a net return of 4·29 per cent.

DELHI STATE ELECTRICITY BOARD

Prior to 1st April, 1951, the generation of electricity for the whole of Delhi State and its distribution in the Old Delhi area along with traction was the responsibility of the late Delhi Central Electric Power Authority Ltd. On 1st April, 1951, the Government decided to entrust the functions of the Authority to the Delhi State Electricity Board set up for this purpose.

The Board is at present engaged in strengthening their distribution system and extending their service lines to the new colonies that have come into being in Delhi. Steps are also being taken to get supplies of additional electricity from Nangal as soon as supplies from that project become available.

During 1952-53 the Board made a profit of about Rs. 6½ lakhs as against a loss of Rs. 3 lakhs in 1951-52.

Out of a loan of Rs. ·78 lakhs provided during 1953-54 the Board will be seeking a loan of Rs. 20 lakhs only as there has been sufficient increase in their own resources. A sum of Rs. ·80 lakhs has been provided in the Budget Estimates for 1954-55.

MINISTRY OF NATURAL RESOURCES AND SCIENTIFIC RESEARCH

11 National Laboratories and 5 Coal Survey Stations have been set up or are in process of being set up under the control of the Council of Scientific and Industrial Research and plans are being drawn up for three Research Institutes.

The estimated cost of establishing these laboratories and Coal Survey Stations is Rs. 5·85 crores. This also includes a sum of Rs. 1 crore for the setting up of Pilot Plant so that scientific work carried out could be demonstrated on a semi-commercial scale.

The scope and functions of the various Laboratories are given below:—

NATIONAL PHYSICAL LABORATORY, NEW DELHI

The work of the National Physical Laboratory covers the maintenance of an research on fundamental and derived standards, research on industrial standards, standards of quality, performance, and practice; investigations on raw materials for industries; standardization of raw materials processed and finished goods; practical application of results of fundamental research; framing of advice on specifications and scientific and industrial testing.

NATIONAL CHEMICAL LABORATORY, POONA

The work of the National Chemical Laboratory is both fundamental and applied along lines to permit research in industry and utilization of the country's raw material resources so as to help development of the existing industries and establish new ones.

NATIONAL METALLURGICAL LABORATORY, JAMSHEDPUR

The work of the National Metallurgical Laboratory covers all aspects metallurgical research including investigations in ores, minerals and refractories connected with Metallurgy.

FUEL RESEARCH INSTITUTE, DHANBAD

The work of the Fuel Research Institute is to promote and develop various aspects of fuel technology for scientific and economic production and use of fuel for all purposes and the conduct of research on basic and applied aspects of fuel.

CENTRAL GLASS AND CERAMIC RESEARCH INSTITUTE, CALCUTTA

The work of the Institute deals with problems in glass, potteries and porcelains, enamels, refractories, furnaces etc. It also works as a test and standardization laboratory besides being an institution for advanced training.

CENTRAL LEATHER RESEARCH INSTITUTE, MADRAS

The institute forms the centre of all scientific activities connected with leather and tanning industry. It concerns itself with investigations into the complex problems of leather technology with particular reference to Indian conditions so as to raise the standard and efficiency of industry to that obtaining in foreign countries. A model tannery is also attached to the Institute.

CENTRAL ELECTRO-CHEMICAL RESEARCH INSTITUTE, KARAIKUDI

The institute carries on investigations in electro chemistry and its application in chemical industries with particular reference to problems relating to the use of indigenous raw material in new industries and increasing the efficiency of existing industries. The scope of work includes fundamental as well as basic research and attention is also devoted to design of equipment used in electrical processes.

CENTRAL ROAD RESEARCH INSTITUTE, DELHI

The work of the Central Road Research Institute covers fundamental and applied research on road materials and road construction, testing and standardization of specifications, devising suitable instruments for various tests such as measurement of irregularities of road surfaces, impact factors, automatic recording of traffic etc., tests on soil and study of soil mechanics with a view to evolve low cost roads for development of all weather village roads, studies on the behaviour of roads under different traffic conditions, incidence of accidents, road safety devices and road statistics, dissemination of information, and training of technologists.

CENTRAL BUILDING RESEARCH INSTITUTE, ROORKEE

The Central Building Research Institute deals with examination of building materials in common use and the methods of applying them with a view to effecting economy and improvement wherever practicable, examination of new materials or processes evolved at the Institute or by other outside workers, and preparation of standards of materials and codes of practices for various aspects of building construction.

CENTRAL FOOD TECHNOLOGICAL RESEARCH INSTITUTE, MYSORE

The work of the Central Food Technological Research Institute is two-fold, first to make fundamental studies on the properties of food-stuffs and secondly to explore new and practical methods of preservation and distribution of food-stuffs. The chief objective of this Institute is to make food supplies of the country go a longer way by developing efficient methods of avoiding wastage and better utilisation of food supplies.

CENTRAL DRUG RESEARCH INSTITUTE, LUCKNOW

The work of the Institute is to stimulate progress in the control of treatment of diseases through facilitating investigations to establish the

usefulness and limitations of diagnostic, preventive and therapeutic agents. This will involve not only the promotion of critical clinical investigations of new therapeutic agents but also take into consideration possible new uses for the old ones according to varying factors.

DEVELOPMENT PROJECTS

A scheme for the establishment of the following institutes is being worked out:—

(i) Electronics and Radio Engineering Research Institute.

(ii) Mechanical Engineering Research Institute.

A sum of Rs. 55 lakhs has been provided in the Budget for 1954-55 for buildings and equipment of the National Laboratories and New Projects.

OIL EXPLORATION SCHEME

The Standard Vacuum Oil Company carried out an aero-magnetic survey of the West Bengal alluvial covered tract of 25,000 sq. miles for exploration of hidden oilfields. The data collected during the aeromagnetic survey indicate possibilities of favourable results, but ground survey work and boring for oil will be necessary before it can be said with certainty that anything positively will ensue. An agreement was this forms only the first part of an extended investigation and further signed on the 24th December, 1953, between the Government of India and the Standard Vacuum Oil Co. The Government of India and the Standard Vacuum Oil Co. propose to continue in West Bengal and such other areas as may become subject to this Agreement, the search for oil jointly and to produce oil, if discovered. The funds required for expenditure in carrying on the joint operation will be contributed from time to time by the Government and the Standard Vacuum Oil Co.

The total contribution by the Government prior to 1st April, 1955, is expected to be of the order of Rs. 25,00,000 and by the Standard Vacuum Oil Co. Rs. 75,00,000. A sum of Rs. 25 lakhs has, therefore, been provided in the Budget Estimates for 1954-55. The aggregate contributions to the funds of the joint operation by the Government are not expected to exceed Rs. 2·50 crores and those by Standard Vacuum Oil Company will not exceed Rs. 7·5 crores.

PHOTOGRAMMETRIC EQUIPMENT FOR THE SURVEY OF INDIA THROUGH INDO-U.S. TECHNICAL CO-OPERATION PROGRAMME.

The Air Survey method came into use during the first World War. It played an important role in the second World War. In the inter-war years, considerable progress was made in the use of air survey which greatly assisted the new technique of plotting. This enabled the preparation of maps comparable in accuracy with those obtainable from ground survey. For this air survey operation of the Survey of India, about 100 plotting machines of different makes will be required. The Planning Commission has agreed to this and the Survey of India have since placed an indent for equipment with Indo-U.S. Technical Co-operation Programme and United Nations Technical Assistance Administration. One photogrammetric expert will also come to India soon to train Survey of India's officers on these machines. Besides two officers of the Survey of India have also been sent to Switzerland for training for a period of 3 months in the use of such machines.

MINERAL SAND SEPARATION INDUSTRY

A provision of Rs. 20 lakhs for nationalising the mineral sand industry in Travancore-Cochin State in partnership with the State Government has been made in the Budget Estimates for 1954-55.

MINISTRY OF PRODUCTION

NATIONAL INSTRUMENT FACTORY, CALCUTTA

Against the provision of Rs. 1·82 crores in the Five Year Plan for the re-organisation of the National Instruments Factory a scheme costing Rs. 79·76 lakhs has been approved to start with. The scheme comprises acquisition of land, construction of new factory buildings, purchase of new machinery, and manufacture of optical glass and linen measuring tapes. Necessary land for the factory has already been acquired at a cost of Rs. 8·64 lakhs. Construction of new buildings has been started. Orders for new machinery have been placed and a part of the machinery has been received. Certain German Reparation machines have also been secured.

For the manufacture of optical glass, which is one of the important raw materials required for scientific instruments and for opthalmology, a factory with an initial capacity of 10 tons per annum, capable of further expansion, is proposed to be set up. Efforts are being made to locate and procure necessary equipment therefor.

Developmental work on the manufacture of linen tapes in the factory has been taken in hand.

The provision in the Revised Estimate for 1953-54 and Budget Estimate for 1954-55 for the above scheme is Rs. 6·5 lakhs and Rs. 32 lakhs respectively.

DEVELOPMENT OF EXISTING SALT WORKS AND MANDI MINES

A provision of Rs. 9 lakhs has been made in the Budget Estimate for 1954-55 for the development of the Government salt works (at Sambhar Lake, Didwana, Pachbadra and in Rajasthan, Kharaghoda and Wadala in Bombay State and Mandi in Himachal Pradesh) and for certain works connected with private salt factories. Core drilling of the Mandi mines is being carried out to ascertain the extent of salt deposits there.

PENICILLIN FACTORY, POONA

The construction of Factory buildings at Pimpri near Poona, is expected to be completed by March, 1954. The factory is planned to produce 3·6 million mega units of penicillin per year to start with, rising to 9 million mega units per year. It is expected to start production by July, 1954.

Much of the plant and equipment given free by the United Nations International Children's Emergency Fund and worth $ 850,000 has already been received. Indian key personnel have been selected and are undergoing training in laboratories selected by World Health Organisation who are responsible for training and know how.

A provision of Rs. 53·91 lakhs inclusive of aid from U.N.I.C.E.F. has been made in the Revised Estimates for 1953-54 and Rs. 56 lakhs in the Budget Estimates for 1954-55.

HINDUSTAN CABLES LIMITED, RUPNARAINPUR

The establishment of the Telephone Cable Factory at Rupnarainpur, Burdwan District, West Bengal for the manufacture of dry core paper insulated telephone cables, is nearing completion. The total mileage of cables of different specifications, which the factory is designed to produce annually is 469. The control and management of the factory was transferred to a private limited company under the name of "Hindustan Cables Ltd." wholly owned by the Government.

A beginning has been made in the production operations in the drum shop and cable drums are in process of manufacture. Other sections are expected to go in production shortly.

A provision of Rs. 50 lakhs has been made in the Revised Estimates for 1953-54 and Rs. 40 lakhs in the Budget Estimates for 1954-55 to meet the expenditure in connection with the operation of the Factory.

HINDUSTAN MACHINE TOOL LIMITED, JALAHALLI, BANGALORE

The control and management of Machine Tools Factory has been transferred to a private limited company *viz.*, the Hindustan Machine Tools Ltd. The commissioning of the factory into initial production towards the middle of 1954 is progressing satisfactorily.

The first prototype of the lathe is already under manufacture in Switzerland and will be tested there. On satisfactory conclusion of the test, manufacture of some component part is expected to commence towards the middle of 1954. In the initial stage, it is proposed to confine production of 400 high speed lathes of 8½" centre, though there is capacity to increase production of high speed lathes, milling machines, heavy duty drilling machines etc., in later stages without substantial increase in capital cost.

A provision of Rs. 50 lakhs and 2 crores has been made for the years 1953-54 and 1954-55 respectively, to be advanced to the company by way of share capital.

D.D.T. FACTORY, DELHI

A factory, with a capacity of 700 tons of D.D.T. per year, is under construction at an estimated cost of Rs. 22 lakhs. The factory buildings have been designed to accommodate additional plant and equipment which may be installed later to double the production capacity. The factory is expected to go into production in August, 1954. The factory will be managed by Government through a private limited company.

A provision of Rs. 13·90 lakhs, which includes Rs. 11·90 lakhs as the cost of plant and equipment supplied free by the United Nation Children's Emergency Fund, has been made in the Revised Estimates for 1953-54 and Rs. 13 lakhs have been provided in the Budget Estimates for 1954-55 for this project.

ESTABLISHMENT OF AN IRON AND STEEL PLANT

Following the agreement between the Government of India and the German Combine of Krupps and Demag, a company styled 'Hindustan Steel Limited' has been constituted to construct and operate a new Steel Plant with an initial capacity of 500,000 tons of steel. The shares will be held in the ratio of 4 : 1 between Government and the Combine. The capital cost of the Project is estimated to be Rs. 71·25 crores, out of which the Combine will contribute about Rs. 9·5 crores.

The Technical Consultants' agreement provides for a payment to the Combine of a fixed fee in Deutsch Marks of 18·9 million (about Rs. 2·10 crores) payable in several instalments corresponding to the progress of services rendered. The agreement also provides for the commissioning of the plant within a period of four years from the date of selection of site. Rourkela in Orissa has been selected as the site for this plant.

Heavy expenditure is anticipated in the form of share capital to meet expenditure on the acquisition of land, construction of buildings, plant and machinery, and other miscellaneous expenses of the Project. A provision of Rs. 27 lakhs and Rs. 10 crores has been made under Revised Estimates 1953-54 and Budget Estimates 1954-55 respectively to meet expenditure (both internal and external) likely to be incurred during the years.

ESTABLISHMENT OF A SYNTHETIC OIL PLANT

In order to keep oil supplies stable in an emergency, as far as practicable, various schemes based on utilising the ample quantities of low grade non-coal have been considered in the past but no progress could be made primarily because of the heavy initial expenditure.

Recently, however, there have been far reaching developments in the techniques of manufacturing synthetic oil. This and the possibility of utilising the large lignite deposits available in the country have altered the prospects of manufacturing synthetic oil. A provision of Rs. 10 lakhs has been made in Budget Estimates 1954-55 for obtaining project reports.

HEAVY ELECTRICAL EQUIPMENT PROJECT

The Government of India have revived the proposal for establishing a factory for the manufacture of Heavy Electrical Equipment. The importance and urgency of such a plant has been felt particularly with the development of multipurpose river valley projects, electrification of railways for increasing line capacity, establishment of steam generating stations, etc. Besides the manufacture of new equipment, the factory would enable renovation of the heavy plants in use which would otherwise have to be discarded because of their renovation abroad being an un-economical proposition. The factory will also provide in the country facilities for research in electrical engineering.

Project reports have been called for from two firms of international repute, who have accepted in principle to participate financially and technically in the scheme. A provision of Rs. 50,000 and Rs. 50 lakhs has been made under Revised Estimates 1953-54 and Budget Estimates for 1954-55 respectively for the purpose.

HINDUSTAN SHIPYARD LIMITED

The Hindustan Shipyard Limited, a company jointly promoted by the Government of India and the Scindia Steam Navigation Co. Ltd. took over the shipyard at Visakhapatnam, from the Scindia's with effect from the 1st March, 1952, at a valuation of Rs. 2·72 crores.

Government have approved the development programme of the Shipyard at a cost of about Rs. 1·8 crores. The Hindustan Shipyard Ltd. have

already been advanced Rs. 60 lakhs during 1952-53 and 1953-54 towards cost of works under construction, and a further sum of Rs. 1·45 crores including Rs. 5 lakhs meant for construction of Dry Dock has been provided for the development and further expansion of the Yard during 1954-55.

In order to enable the Indian Shipping Companies to purchase ships built in the Visakhapatnam yard at prices payable for similar ships constructed in U.K., Government have decided for the present to bear within certain limits the difference between the actual costs of construction and the actual sale prices of the ships as subsidy. During 1952-53 a sum of Rs. 95·56 lakhs was adjusted as subsidy. The revised estimate for 1953-54 on this account is Rs. 60 lakhs and a sum of Rs. 80 lakhs has been provided for this purpose in the Budget Estimates for 1954-55.

MINISTRY OF STATES

IRRIGATION SCHEMES IN HIMACHAL PRADESH

A sum of Rs. 80 lakhs has been earmarked for development of Irrigation in the Himachal Pradesh Five Year Plan. Out of this an expenditure of Rs. 10 lakhs is expected to be incurred upto the end of 1953-54. The schemes proposed to be implemented during the next two years are estimated to cost Rs. 9·63 lakhs which, when completed, will irrigate an area of about 6,200 acres. A provision of Rs. 5 lakhs has been included in the Budget Estimates for 1954-55, the balance of the expenditure being incurred in 1955-56.

ELECTRICITY SCHEMES IN HIMACHAL PRADESH

The scheme for the extension of electric supply from Mandi to Balh Valley and Sundernagar estimated to cost Rs. 6·51 lakhs has been sanctioned and the work is being undertaken. Under the other schemes, for which provision of Rs. 9·38 lakhs has been made in 1954-55, it is proposed to electrify the towns of Rampur and Sundernagar and the rural areas of Rohru and Jubbal.

ROAD TRANSPORT SCHEMES IN HIMACHAL PRADESH

Road Transport in Himachal Pradesh was nationalised in 1949 with 65 vehicles taken over from the various transport companies. A provision of Rs. 10 lakhs has been included in the Five Year Plan for purchase of new vehicles. Expenditure totalling about Rs. 10 lakhs has been sanctioned during 1953-54. A sum of Rs. 8 lakhs has been provided in Budget Estimates 1954-55 for the purchase of 22 new vehicles, 4 jeeps, spare parts and construction of garages. It is expected that the Transport Service will now be able to link up new centres opened out as a result of construction of new roads. By the end of 1955-56 it is expected that the Transport Service will be plying on about 950 miles.

FOREST DEVELOPMENTS IN VINDHYA PRADESH

This is a scheme for the improvement and extension of the forests in Vindhya Pradesh and is included in the Five Year Plan. The work was started in 1952-53 and a sum of Rs. 2,98,589 was spent out of the total provision of Rs. 4:50 lakhs. Rs. 4 lakhs were provided in the Budget Estimates 1953-54. Improvement of lac culture and the Shellac Factory will, bring in more revenue. Other forest industries will be fully developed. A provision of Rs. 4·50 lakhs has been included in Budget Estimates 1954-55.

ELECTRICITY SCHEMES IN VINDHYA PRADESH

The existing plants and machinery in Vindhya Pradesh were installed primarily for meeting the requirements of the palaces, guest houses etc., of the Rulers and only a restricted supply was made available to the public. It is proposed to undertake extension works in seven of the existing undertakings, namely, those at Rewa, Satna, Malhar, Panna, Chattarpur, Tikamgarh and Palia. A provision of Rs. 25 lakhs has been included in Budget Estimates 1954-55.

ELECTRICITY SCHEMES IN BHOPAL

The first phase o fthe expansion of the Bhopal Electric Supply Undertaking has been completed. The second phase is yet to be taken up. The scheme aims at installation of additional plant to maintain efficient supply on account of increased load in Bhopal. A sum of Rs. 12·47 lakhs has been provided in Budget Estimates 1954-55.

IRRIGATION PROJECTS IN KUTCH

The project for the construction of four major irrigation tanks in Kutch, estimated to cost Rs. 55 lakhs has been included in the Five Year Plan. The total outlay till the end of 1953-54 is expected to be about Rs. 30 lakhs. The project when completed will irrigate 25,000 acres of land and produce about 6,500 tons of additional foodgrains. A provision of Rs. 20 lakhs has been provided in Budget Estimates 1954-55.

ELECTRICITY SCHEMES IN KUTCH

The project is included in the Five Year Plan. The schemes which are under scrutiny aim at electrification of nine villages around Nakhatrana. The power derived from the project will be utilized mainly for agricultural purposes. A provision of Rs. 9·79 lakhs has been made in the Budget Estimates for 1954-55. In addition to the above provision, a sum of Rs. 10 lakhs has been provided in Budget Estimates 1954-55 for the construction of a power house at Kandla which is estimated to cost Rs. 65 lakhs spread over a period of five years. This scheme is intended to provide electricity for the entire Kandla port and its adjoining area.

ELECTRICITY SCHEMES IN IMPHAL

The scheme aims at installation of a new Hydro Electric Station, two additional diesel sets, and increasing the flume capacity of the existing hydro installation. These schemes are expected to improve the electric supply arrangements at Imphal and neighbouring areas. A provision of Rs. 5 lakhs has been provided in Budget Estimates 1954-55.

CAPITAL FOR BILASPUR

A sum of Rs. 6,66,000 has been provided in the Five Year Plan for the rehabilitation of the people of Bilaspur who will be displaced as a result of the submergence of the present capital of Bilaspur by the proposed Bakhra Dam. In order to carry out proper survey of the site selected for the new capital for Bilaspur a provision of Rs. 1 lakh has been made in the Budget for 1954-55. Some preliminary survey has already been made and the site near the village of Diara has been selected for the construction of a new township for Bilaspur.

MINISTRY OF TRANSPORT

LOAN ASSISTANCE TO THE DELHI ROAD TRANSPORT AUTHORITY

The bus service in Delhi, formerly operated by the Gwalior and Northern India Transport Company were nationalised in May, 1948. They were operated departmentally by the Ministry of Transport upto the 31st March, 1950. On the 1st April, 1950, the bus services were handed over to a statutory autonomous body known as the Delhi Road Transport Authority established under the Delhi Road Transport Authority Act, 1950. The Authority took over the operation of the Tramway services in the city of Delhi, from the Delhi Central Electric Power Authority, with effect from the 1st April, 1951. The assets handed over to the Authority on the 1st April, 1950, were provisionally valued at Rs. 41·88 lakhs and this amount constitutes the initial capital of the undertaking provided by Government. A loan of Rs. 20 lakhs was granted to the Authority during each of the two years 1950-51 and 1951-52, and a loan of Rs. 35 lakhs was granted to the Authority during the year 1952-53. Further loan assistance required by the Authority during the years 1953-54 and 1954-55 amounts to Rs. 45 lakhs and Rs. 100 lakhs respectively, for the purposes of additions to their fleet and other capital expenditure. No loan has so far been advanced to the Authority, during the current financial year, as the capital requirements are coming up for payment only now and before the year runs out the whole amount asked for will be paid. As regards loan assistance during 1954-55, a sum of Rs. 70 lakhs has been provided in the Budget Estimates.

The following table shows the estimated financial results of operation of Delhi Road Transport Authority during the year 1953-54 as compared with the previous years:—

(Figures in lakhs of rupees)

	1950-51 (Actuals)	1951-52 (Actuals)	1952-53 (Actuals)	1953-54 (B. E.)	1953-54 (Revised)
EARNINGS					
Traffic Earnings	61 64	66·40	74·70	89·10	79·59
Advertisement	...	...	0 50	1·47	1·23
Miscellaneous	0·46	0·66	2·81	3·03	2·62
Total	62 10	67·06	78·01	93·60	83·44
EXPENDITURE					
Working expenses	55·19	58·97	62·96 (Provisional)	69·76	67·21
Depreciation	11·80	11·19	8·41	10·37	7·50
Interest charges	1·31	1·83	2·65	5·15	4·52
Total	68·30	71·99	74·02	85·28	79·23
Profit (+) Loss (–)	(—)6·20	(—)4·93	(+)3·99	(+)8·32	(+)4·21
Capital at charge	61·8	81·88	104·88	149·88	149·88

SHIPS FOR COASTAL AND OVERSEAS TRADE

The Indian shipping industry has insufficient resources to develop speedily. For the carriage of the country's essential imports and exports and because of the Government of India's declared policy of coastal reservation for Indian shipping, the acquisition of additional tonnage has become a matter of great urgency. The Five Year Plan envisages a net addition of 215,000 GRT during the period 1951—56 so that Indian tonnage may reach a target of 600,000 GRT by the expiry of the Plan period. The addition will be effected by grant of loans to Indian shipping companies and by investment of Government money in the Eastern Shipping Corporation.

In 1952-53 two loans aggregating to Rs. 96·89 lakhs were given to Indian shipping Companies who, with this assistance, were able to add units of 20,000 GRT to the Indian coast.

In 1953-54 a loan of Rs. 60·82 lakhs has been given and as a result thereof one ship of 11,000 GRT has been added to the coast. Another loan of Rs. 2·16 crores has been sanctioned for 1953-54 of which it is expected that 20 per cent will be given during the current year. It is expected that the provisions earmarked for shipping in the Plan would be fully utilised and the target laid down would be largely achieved.

The Budget Estimates for 1954-55 provide for Rs. 4·45 crores which will be utilised to advance loans to Indian shipping companies for acquiring tonnage both from abroad and from the Visakhapatnam shipbuilding yard.

CONSTRUCTION AND DEVELOPMENT OF NATIONAL HIGHWAYS

This development project is based on the recommendation made in the 'Nagpur Report' on road development as endorsed by the Policy Committee on Transport and the Transport Advisory Council. The project was put into execution on 1st April, 1947, after consulting the various State Governments and after approval by the Standing Committee for Roads and the Standing Finance Committee. The present milage of roads classed as National Highways is 13,400.

The scheme is included in the current Five Year Plan and the Planning Commission have approved an expenditure ceiling of Rs. 27 crores on the scheme during the Plan period. The works included in the detailed five year programme are of the following categories:—

(a) Construction of missing links;

(b) Construction of bridges; and

(c) Improvement of existing roads.

An expenditure of Rs. 6·88 crores has been incurred during the first two years of the Plan while the estimated expenditure to end of the current year is Rs. 5·25 crores. Thus the total expenditure to the end of 1953-54 will be Rs. 12·13 crores which represents about 45 per cent. progress on the basis of expenditure ceiling.

CONSTRUCTION AND DEVELOPMENT OF "OTHER ROADS"

The Central Roads Organization assumed administrative control and financial liability for roads other than National Highways in the various Part C States, the Andaman and Nicobar Islands, Sikkim and the North-East Frontier Tribal Areas of Assam with effect from 1st April, 1950.

A number of Part 'C' States have been formed from former Indian States and their existing road systems are not only inadequate for the needs of these areas, but also require modifications in many cases to serve the administrative and economic needs of the new States. There has been no integration of the road systems of these states. With the increase in the population and development of industries, it has become a matter of urgent necessity to bring the road systems to the requisite standards to meet the present day needs of these states.

A good system of road communication in the North-East Frontier Tribal Areas of Assam is essential for the welfare of the tribal people and the proper development of that area.

In addition to the provision for National Highways, the requirements of roads in centrally administered areas, including Part C States, are provided in the Central budget except that in Ajmer, Bhopal, Coorg, Delhi, Himachal Pradesh and Vindhya Pradesh, who have their own legislatures and budgets. The expenditure on such roads met from revenue is provided in their budgets. The capital requirements of all Part C States are, however, provided in the Central budget, as even States which have legislatures of their own do not at present have a capital budget.

Provision is also included in the Capital Budget for the construction and development of the following roads:—

	Expenditure ceiling Rs. lakhs.
(a) Agartala-Assam Road	120·00
(b) Passi Badarpur Road ; and	100·00
(c) West Coast Road in Madras and Bombay States (for half the cost of development only) the remaining half being borne by the State Govts. concerned.	100·00

The Agartala-Assam road and the Passi Badarpur Road, when completed, will provide through road communication between the Tripura State and the road system of Assam, the existing communications having been disrupted by partition. The construction of these roads is well in progress. Against the expenditure ceiling of Rs. 2·20 crores approved for the Plan period, the expenditure incurred during the first two years is Rs. 91·71 lakhs while the expenditure during 1953-54 is estimated at Rs. 55 lakhs. This represents about 66 per cent. progress on the basis of the provision made in the Five Year Plan.

The Government of India have accepted financial liability for half the cost of development of the West Coast Road in Bombay and Madras States. The ceiling approved by the Planning Commission is Rs. 1,00 lakhs for the Central Government's share of expenditure on the development of the road during the five year period.

CONSTRUCTION OF PATHANKOT-JAMMU ROAD

The construction of this road has already been completed, but some improvement and widening works are still required to be carried out to meet the needs of the heavy traffic on the road. The improvement consists of widening the carriage way for two lane traffic and converting some bigger causeways to bridges on some sections of the road. A gross

expenditure ceiling of Rs. 80 lakhs on the improvement of the road during the Plan period has been fixed. As a major portion of the road is within the territory of the Jammu and Kashmir State, most of this expenditure will be recoverable from the Jammu and Kashmir State. For the present, the share recoverable from the Jammu and Kashmir State is treated as loan to the State Government.

A gross expenditure of about Rs. 37 lakhs is likely to be incurred on this road to end of 1953-54, which represents about 46 per cent. progress on the basis of the ceiling approved in the Five Year Plan.

CONSTRUCTION AND DEVELOPMENT OF CERTAIN OTHER CLASSES OF ROADS FINANCED BY THE CENTRAL GOVERNMENT

The Government have recently allocated a sum of Rs. 10 crores for being spent during the current Plan period on the construction and development of roads other than National Highways, of the following categories, not provided already in the approved Five Year Plan:—

(i) Inter-State roads necessary for ensuring through communications;

(ii) Roads required for opening up new areas to which railway facilities cannot be provided in the near future; and

(iii) Roads which can contribute materially to rapid economic development *i.e.* in hilly areas and certain recently merged territories having valuable resources for exploitation.

The various State Governments have been asked to forward detailed proposals regarding works on roads coming under the above mentioned categories for which they will require financial aid from the Centre.

MINISTRY OF WORKS, HOUSING AND SUPPLY

SUBSIDISED INDUSTRIAL HOUSING SCHEME

In September 1952, the Government of India formulated a new "Subsidised Industrial Housing Scheme" as the old scheme was not found suitable for various reasons. In July, 1953, this scheme was further revised in the light of the experience gained in its working. The following are the main features of the revised scheme known as "Subsidised Industrial Housing Scheme 1953-56":—

(i) The accommodation is to be of two general types *viz.* in cities of moderate size, where land values are not high, single storeyed one-roomed tenements and in larger cities, where land values are high, multi-storeyed one-roomed tenements. Ten per cent. of the tenements to be constructed under the Scheme may, however, be two-roomed, for allotment to higher paid workers Subsidy in respect of two-roomed tenements is, however, admissible on the same scale as for one-roomed tenements.

(ii) The Central Government grants subsidies and loans as follows:—

(a) Subsidy to the extent of 50% of the actual cost of construction including the cost of land for housing schemes undertaken by the State Governments, or statutory housing boards.

(b) Subsidies to the extent of 25 per cent. of the actual cost of construction including the cost of land of housing schemes undertaken by employers and by such registered co-operative

societies of industrial workers as provide in their constitution that the houses will not pass to any one other than industrial workers.

(c) Loans to the State Governments upto 50 per cent of the cost of construction including the cost of land repayable in 25 years at 4¼ per cent per annum.

(d) Loans to the State Governments for industrial co-operatives upto 50 per cent of the cost of construction including cost of land at 4¼ per cent repayable in 25 years.

(e) Loans to employers upto 37½ per cent of the cost of construction at 4¾ per cent per annum repayable in 15 years.

(iii) The financial assistance is based on either the standard costs which are shown below or the actual cost whichever is lower. The standard rent for each type of tenement is also given below:—

Type of tenement	Cost of building	Cost of land and or its development, if admissible.	Standard cost (Total of cols. 2 & 3)	Rent per mensem
1	2	3	4	5
	Rs.	Rs.	Rs.	Rs.
A. IN BOMBAY AND CALCUTTA				
1. Single-storeyed one-roomed	2,260	440	2,700	10
2. Single-storeyed two-roomed	3,410	440	3,850	19
3. Double-storeyed one-roomed	2,810	440	3,250	14
4. Double-storeyed two-roomed	4,210	440	4,650	25
5. Multi storeyed one-roomed	3,200	800	4,000	17/8
6. Multi-storeyed two-roomed	4,800	800	5,600	30
B. OUTSIDE BOMBAY AND CALCUTTA				
7. Single-storeyed one-roomed	2,260	440	2,700	10
8. Single-storeyed two-roomed	3,410	440	3,850	19
9. Double-storeyd one-roomed	2,260	440	2,700	10
10. Double storeyed two-roomed	3,410	440	3,850	19
11. Multi-storeyed one-roomed	2,260	440	2,760	10
12. Multi-storeyed two-roomed	3,410	440	3,850	19

The standard cost of Rs. 4,000 shown for multi-storeyed one-roomed tenements in Bombay and Calcutta can be raised to Rs. 4,500 in special cases.

The cost of land and/or the cost of development is taken into consideration for purposes of financial assistance when the land required has not already been acquired and/or developed.

The above figures of rent are in the nature of maximum and it is open to the authority or owner concerned to charge lower rents.

(iv) The Scheme even though subject to such changes as may be found necessary from time to time, is likely to remain in force upto the year 1955-56.

Sanctions to the grant of the following financial assistance were issued during 1952-53 and 1953-54:—

	Loan Rs.	Subsidy Rs.	No. of tenements
1952-53			
(a) State Governments	2,74,53,793	2,49,35,304	17,178
(b) Employers	14,58,071	9,72,047	1,528
(c) Co-operatives	Nil	Nil	Nil
1953-54			
(a) State Government	94,01,030	94,01,030	6,959
(b) Employers	22,68,051	18,76,154	3,133
(c) Co-operatives	Nil	Nil	Nil

As the payment of financial assistance is related to the progress of the work of construction of the tenements, a major part of the expenditure on the schemes of 1953-54 will have to be incurred in 1954-55. Thirty-six applications from State Governments, seventy nine from employers and thirty six from co-operative societies are under consideration pending further information from the applicants. The total demand of the State Governments etc., and the number of tenements proposed to be constructed by them are as follows:—

	Number of Sehemes	*Number of tenements*	*Total estimated cost* Rs.
State Governments	36	13,401	4,69,42,959
Employers	79	12,322	4,31,53,942
Cooperatives.	36	2,139	82,08,092

Schemes for slum clearance likely to cost Rs. 16 crores have been received from State Governments. The U.P. Government have also submitted a scheme for Rs. 32·25 lakhs for construction of houses for sweepers. The question as to whether aid in the shape of subsidy is also to be given for this purpose is under consideration.

The following provision has been made in the Budget Estimates for 1954-55:—

	Rs.
A. Subsidised Industrial Housing Scheme	11 crores
B. Slum Clearance	1 crore
C. Assistance for non-industrial workers'co-operatives and co-operatives of low income groups	1 crore
TOTAL .	13 crores

BULK ORDERING OF ROAD ROLLERS

The scheme was started in 1946, on a no-profit no-loss basis, with a view to meeting the immediate demand in the country for Road Rollers. Orders were placed with two reputable firms of United Kingdom for the manufacture of 950 Steam Road Rollers and 475 Diesel Road Rollers in India. In the absence of firm indents from State Governments and quasi-public bodies to cover the full quantity ordered, Ministry of Transport gave a firm indent for 810 Road Rollers to meet the deficiency. All the orders have been executed except in respect of one Steam Road Roller. According to the terms of the contract, progress payment to the extent of expenditure incurred during each month was required to be made to the suppliers on the production of a certificate from their auditors. Final cost of the Road Rollers was determined after verification by the Government Cost Accounts Officer. The quasi-public indentors were required to deposit the estimated price of the road rollers ordered for in advance with the Government. Advance deposits from some quasi-public indentors on the basis of the estimated price fell short of the final price fixed. In accordance with the terms of the contract, it was not possible for Government to withhold payments from the contractors on account of the difference between the provisional price and the final price till it was recovered from the indentors. In 1952-53, an expenditure of Rs. 6,29,938 was incurred by Government on account of progress payment to the contractors and a recovery of Rs. 17,238 was made from quasi-public bodies. A provision of Rs. 2·28 lakhs on account of payment to suppliers and Rs. 3·19 lakhs on account of anticipated recoveries from indentors has been made in the Budget Estimates for 1954-55.

SECTION IV

ECONOMIC STATISTICS

Section IV

ECONOMIC STATISTICS

STATEMENT I

Index Numbers of Wholesale Prices

(Source: Office of the Economic Adviser to the Government of India)

Average of weeks (1)

ALL INDIA: (Base: year ended August 1939 = 100)

	Food Articles	Industrial Raw Materials	Semi-Manufactures	Manufactured Articles	Miscellaneous Articles	All Commodities
1944	247·1	...	...	...	...	241·3 (a)
1945	248·0	...	...	...	...	244·4 (a)
1946	262·7	...	...	...	...	266·7 (a)
1947	292·2	365·3	251·9	276·6	468·1	{294·8 (a) 297·4
1948	374·1	430·5	316·6	340·6	504·2	367·1
1949	389·2	463·9	328·1	343·9	545·6	381·1
1950	410·4	503·2	340·9	348·4	683·1	400·7
1951	409·8	608·2	377·5	395·5	729·8	439·3
1952	359·8	453·8	346·5	377·5	435·6	386·9
1953	380·8	459·7	356·3	367·0	661·5	393·9
1952—						
January	393·0	580·6	369·3	400·9	735·0	430·3
February	375·4	545·4	364·2	394·1	709·8	415·8
March	342·7	424·2	343·2	383·8	625·6	377·5
April	346·1	433·5	338·3	381·2	598·1	377·8
May	341·0	416·4	323·2	371·2	583·0	367·1
June	349·6	430·3	330·6	373·6	603·2	374·8
July	367·6	435·1	347·2	368·7	629·5	383·8
August	372·9	446·4	351·0	366·4	635·4	387·4
September	368·1	459·8	351·5	370·3	629·8	389·0
October	357·9	452·3	351·7	379·0	634·0	387·5
November	363·4	429·3	348·1	374·3	633·3	383·4
December	344·5	421·7	342·6	367·6	625·3	372·7
1953—						
January	357·0	427·6	344·3	365·9	620·0	377·5
February	361·6	440·1	347·2	367·8	595·0	381·5
March	365·0	453·1	349·8	369·0	585·5	385·2
April	366·4	448·9	351·8	365·8	601·7	384·9
May	382·0	477·4	360·0	369·5	619·8	397·4
June	398·7	481·0	363·4	370·1	674·3	405·4
July	406·4	480·5	365·4	367·3	693·9	407·7
August	407·0	488·7	364·7	370·8	706·0	410·4
September	399·0	475·3	363·8	364·4	717·4	403·8
October	385·6	447·7	353·4	364·5	721·9	393·6
November	378·0	441·4	355·5	365·6	715·2	390·6
December	367·0	459·3	356·5	363·8	711·5	389·4

(1) Annual figures are simple geometric averages of months.

(a) {Simple geometric average of 23 commodities.
Base: Week ended 19th August 1939 = 100.

STATEMENT I—*contd.*

Wholesale Prices

Statement I shows the trend of commodity prices as measured by the Index Numbers of wholesale prices in India, computed by the Office of the Economic Adviser to the Government of India, with the year ended August 1939 as the base. This relates to the prices of 78 selected commodities in their principal markets in India and comprises 5 important economic groups and 18 sub-groups.

The index numbers of wholesale prices advanced gradually from the level of 377·5 in January 1953 to 410·4 in August 1953 and then there was a declining tendency and the index stood at 389·4 in December, 1953. During 1953 the index averaged to 394 or 7 points higher than the average for the previous year.

Food articles group of the above series also rose and showed a declining tendency only from September, 1953. During the year, the index averaged to 381 or 21 points higher than the average for 1952.

STATEMENT II

Working Class Cost of Living Index Numbers for certain centres in India

(Source: Labour Bureau, Government of India)

Monthly average or Calendar months	Bombay (Base : year ending June 1934 = 100)	Madras (Base : year ending June 1936 = 100	Kanpur (Base : August 1939 = 100)	Delhi (Base : January to December 1944 = 100)	Nagpur (Base: August 1939 = 100)	Calcutta (Base August 1993 = 100)
1944	237	202	314	100	267	279
1945	235	222	308	103	259	283
1946	259	235	328	107	285	275
1947	279	272	378	122	320	309
1948	303	309	471	132	372	339
1949	307	323	478	132	377	348
1950	313	325	434	132	372	349
1951	330	334	451	142	391	370
1952	337	330	441	143	380	351
1953	363	351	453	140	387	349
1952—						
January	331	338	442	142	393	357
February	324	336	441	141	382	343
March	313	333	412	136	378	340
April	345	326	415	145	377	339
May	339	327	412	148	376	339
June	338	330	424	145	375	343
July	330	332	456	143	377	354
August	340	330	460	143	380	369
September	341	328	463	145	381	364
October	345	327	466	146	381	363
November	347	328	459	143	380	357
December	346	327	447	137	378	346
1953—						
January	346	327	454	135	381	337
February	351	351	459	136	380	334
March	358	353	448	136	381	333
April	359	354	434	137	384	344
May	363	356	441	139	391	345
June	371	360	453	140	393	363
July	373	355	465	142	394	375
August	376	352	469	144	397	373
September	371	351	464	145	391	366
October	368	352	457	144	389	349
November	361	353	453	143	385	339
December	359	350	438	140	380	329

Statement II gives Cost of Living Indices for Bombay, Madras, Kanpur, Delhi, Nagpur and Calcutta. Of these, all except the Nagpur index, include house rent in addition to food, fuel and lighting, clothing and miscellaneous items. In all these centres except Delhi and Calcutta, the cost of living rose during the year 1953 as compared with the previous year. The Bombay, Madras, Kanpur, Delhi, Nagpur and Calcutta indices averaged to 363, 351, 453, 140, 387, and 349 respectively in 1953, as compared with 337 330, 441, 143, 380 and 351 in 1952.

STATEMENT III—*Foreign Trade of India* (1)

(Source : D.G.C. I. & S. Calcutta, Ministry of Commerce & Industry)

(Figures in lakhs of Rupees)

Monthly average or calendar months	Imports of foreign merchandise				Exports of Indian merchandise				Exports of forign merchandise
	Food, Drink and Tobacco ‡	Raw materials and articles mainly unmanufactured	Articles wholly or mainly manufactured	Total Imports **‡	Food, Drink and Tobacco	Raw materials and articles mainly unmanufactured	Articles wholly or mainly manufactured	Total Exports †	Total re-exports *
1	2	3	4	5	6	7	8	9	10
1938	1,72	3,05	7,80	13,09	3,28	5,95	4,02	13,51	58
1947 (2)	4,14	7,70	20,18	37,06	5,58	9,77	14,62	39,63	68
1948 (3)	8,88	9,44	22,75	41,39	6,59	8,22	19,89	34,86	67
1949	10,95	13,22	27,90	52,52	9,53	7,89	17,98	35,57	1,05
1950	7,97	14,87	20,25	43,30	10,25	8,92	24,38	43,77	1,67
1951	18,17	18,73	27,32	65,02	13,44	13,32	34,73	61,78	1,78
1952	19,44	18,68	25,18	64,06	12,19	11,85	24,51	48,86	47
1953	..	..	..	46,16	..	..	..	43,12	48
1952—									
January	29,86	26,50	31,69	89,46	14,67	10,67	38,18	63,87	64
February	17,99	30,14	29,53	79,31	11,52	9,22	23,78	44,85	81
March	35,40	21,54	30,25	89,64	12,94	12,69	26,84	52,75	59
April	28,88	24,57	25,20	79,41	6,33	12,16	23,12	41,96	41
May	27,14	23,15	27,36	78,38	9,19	12,99	25,31	47,88	26

Note:—For footnotes *vide* page 77 *infra*.

STATEMENT III—*Foreign Trade of India* (¹)—contd.

(Figures in lakhs of Rupees)

Monthly average or calendar months	Imports of foreign merchandise				Exports of Indian merchandise				Exports of foreign merchandise
	Food, Drink and Tobacco ‡	Raw materials and articles mainly unmanufactured	Articles wholly or mainly manufactured	Total Imports ** ‡	Food, Drink and Tobacco	Raw materials and articles mainly unmanufactured	Articles wholly or mainly manufactured	Total Exports †	Total Re-exports *
1	2	3	4	5	6	7	8	9	10
1952—contd.									
June	24,68	13,95	22,67	61,82	11,82	12,11	23,90	48,14	36
July	19,07	13,04	25,74	58,03	14,08	13,20	23,91	51,46	45
August	15,63	13,77	27,91	57,56	13,64	13,14	25,80	52,94	29
September	14,63	12,93	19,98	47,73	13,01	10,97	22,05	46,42	32
October	6,74	14,70	21,95	43,65	16,71	11,74	23,51	52,30	66
November	6,36	13,63	19,73	40,03	10,54	10,94	18,27	40,00	40
December	6,93	16,28	20,13	43,64	11,80	12,39	19,43	43,81	49
1953—									
January	6,29	12,03	22,26	40,91	11,59	11,84	18,55	42,54	1,20
February	7,93	10,21	20,33	39,87	10,60	12,70	14,67	38,28	54
March	11,37	10,62	23,05	46,94	12,94	10,82	21,29	48,09	36
April	15,12	16,40	22,92	57,60	8,16	11,30	18,29	37,99	50

Note:—For footnotes *vide* page 77 *infra*.

STATEMENT III—*Foreign Trade of India* (1)—concld.

(Figures in lakhs of Rupees)

Monthly average or calendar months	Imports of foreign merchandise				Exports of Indian merchandise			Exports of foreign merchandise	
	Food, Drink and Tobacco ‡	Raw Materials and articles mainly unmanufactured	Articles wholly or mainly manufactured	Total Imports ** ‡	Food, Drink and Tobacco	Raw Materials and articles mainly unmanufactured	Articles wholly or mainly manufactured	Total Exports †	Total Re-exports *
1	2	3	4	5	6	7	8	9	10
1953—contd.									
May . . .	15,27	14,34	25,37	56,83	9,28	10,02	20,05	39,88	70
June . . .	12,48	16,79	20,12	51,73	9,13	8,71	20,21	39,33	38
July . . .	10,87	14,85	22,72	49,87	11,95	6,78	20,19	40,29	30
August . . .	9,67	16,05	21,31	48,68	12,12	7,32	19,15	38,93	26
September . .	5,38	14,03	23,49	43,21	16,35	8,07	23,68	48,28	28
October . . .	7,51	12,16	23,47	43,47	16,29	8,45	21,67	46,78	68
November . .	3,48	9,51	23,89	37,23	17,18	8,81	21,33	47,70	27
December . .	..	..	..	37,56	..	..	..	49,34	29

(1) Trade by sea and air. Trade of Kutch included from June 1948, and trade of Travancore, Saurashtra and Baroda from April 1949. Annual figures up to 1947 are for Provinces of undivided India and exclusive of Government Stores. The figures of total imports, exports, and re-exports include some latest adujstments.

(2) January to July.

(3) April to December.

* Includes re-exports of living animals and postal articles.

** Includes imports of living animals and postal articles and baggage.

† Includes exports of living animals and postal articles.

‡ Excludes the value of certain special imports of food grains and stores, full particulars of which are not available.

STATEMENT IV

India's Balance of Trade in Merchandise

(Source: D.G.C.I. & S. Calcutta, Ministry of Commerce and Iudustry).

(In lakhs of Rupees)

Monthly average or calendar months	Exports and Re-exports*	Imports*	Balance(1)
1938	14,09	13,09	+1,00
1947	31,31	37,06	—5,75
1948	35,53	41,39	—5,86
1949	36,62	52,52	—14,62
1950	45,44	43,30	—1,05
1951	63,56	65,02	—7,21
1952	49,33	64,06	—15,36
1953	43,60	46,16	—46
1952—			
January	64,51	89,46	—27,60
February	45,66	79,31	—35,56
March	53,34	89,64	—36,52
April	42,37	79,41	—36,12
May	48,14	78,38	—28,66
June	48,50	61,82	—11,29
July	51,91	58,03	—4,96
August	53,23	57,56	—4,07
September	46,74	47,73	—1,44
October	52,96	43,65	+6,46
November	40,40	40,03	—2,60
December	44,30	43,64	—1,87
1953—			
January	43,74	40,91	+95
February	38,82	39,87	—1,89
March	48,45	46,94	+29
April	38,49	57,60	—19,45
May	40,58	56,83	—16,52
June	39,71	51,73	—13,34
July	40,59	49,87	—11,65
August	39,19	48,68	—11,28
September	48,56	43,21	+2,89
October	47,46	43,47	+2,06
November	47,97	37,23	+9,77
December	49,03	37,56	+11,26

* Trade by sea and air. Trade of Kutch included from June 1948 and trade of Travancore, Saurashtra and Baroda from April, 1949.

Annual figures up to 1947 are for Provinces of undivided India, 1947 figures relate to January—July and 1948 figures April—December.

(1) Balance, plus (+) indicates net exports and minus (—) net imports. Figures from April 1949 include land frontier trade with Pakistan, Afghanistan and Iran and exclude transit trade of foreign countries on India's border passing through Indian ports. Land Frontier trade with Burma has also been included from September 1951.

Foreign Trade Statements III and IV.—Statement III shows the recorded value of India's exports, imports and re-exports of merchandise and Statement IV gives the balance of trade of India in merchandise. Figures in Statement III do not, however, include transactions on Government account for Defence purposes upto 1947. During 1953, India imported Rs. 5.54 crores worth of foreign merchandise by sea and air as compared with Rs. 7,69 crores during 1952. The value of exports including re-exports which amounted to Rs. 5,23 crores during 1953 recorded a decrease of Rs. 69 crores as compared with 1952. India's overall balance of trade in merchandise (by Sea, Air and Land and excluding Transit trade) during 1953 was unfavourable to the tune of Rs. 46 crores as compared with Rs. 1,84 crores during 1952.

STATEMENT V

Currency circulation in India

(Source : Reserve Bank of India)

(In lakhs of Rupees)

	Increase or decrease in Note circulation (as on last Friday of the month)	Increase or decrease of Rupee Coin in circulation (as on last Friday of the month)	Combined increase or decrease of Notes and Rupee Coin in circulation (as on last Friday of the month)	Combined progressive increase or decrease of Notes and Rupee Coin in circulation from April
1942—				
March	..	..	..	+1,59,58
December	..	..	..	+2,15,59
1943—				
March	..	..	..	+3,08,42
December	..	..	..	+2,15,75
1944—				
March	..	..	..	+2,64,51
December	..	..	..	+1,31,4
1945—				
March	..	..	..	+2,12,44
December	..	..	..	+1,28,41
1946—				
March	..	..	..	+1,52,24
December	..	..	..	+7,39
1947—				
March	..	..	..	+25,20
December	..	..	..	—29,77
1948—				
March	+17,55	—27	+17,28	+49,99
December	—9,44	—28	—9,72	—1,24,06
1949—				
March	+4,64	—54	+4,10	—1,40,91
December	+31,07	—1,36	+29,71	—70,03
1950—				
March	+21,07	+3	+21,10	—7,47
December	+49,47	+1,42	+50,89	+23
1951—				
March	+30,20	+70	+30,90	+89,41
December	+18,51	+54	+19,05	—1,19,30
1952—				
January	+9,02	+1,26	+10,28	—1,09,02
February	—10,51	—7	—10,58	—1,19,60
March	+1,51	—1,25	+26	—1,19,34
April	+4,67	+1,11	+5,78	+5,78
May	—9,13	—1,39	—10,52	—4,74
June	—7,89	—91	—8,80	—13,54
July	—24,68	—3,15	—27,83	—41,37
August	—18,32	—2,76	—21,08	—62,45
September	+1,76	—21	+1,55	—60,90
October	—15,04	—1,93	—16,97	—77,87
November	+1,18	—1,07	+11	—77,76
December	+18,46	+1,33	+19,79	—57,97
1953—				
January	+14,26	+26	+14,52	—43,45
February	+13,44	+1,34	+14,78	—28,67
March	+13,29	+1,64	+14,93	—13,74
April	+26,64	+65	+27,29	+27,29
May	—87	—72	—1,59	+25,70
June	—20,78	—2,85	—23,63	+2,07
July	—43,96	—38	—44,34	—42,27
August	—11,21	—2,07	—13,28	—55,55
September	—11,45	—1,40	—12,85	—68,40
October	+6,31	—1,59	+4,72	—63,68
November	+19,06	..	..	
December	+28.67	..		

Note.—From April 1948 figures relate to Indian Union.

STATEMENT VI-A

The Reserve Bank of India, Issue Department

Averages of Friday figures

(In lakhs of Rupees)

	Notes in circulation	Total Notes Issued	Gold Coin and Bullion	Foreign Securities	Rupee Coin	Rupee Securities	Percentages of Gold and Foreign Securities to Total Notes issued
1942— December	460,57	573,04	44,42	388,33	14,16	126,13	75·52
1943— December	821,99	830,95	44,42	713,83	14,37	58,83	91·25
1944— December	944,34	1,003,65	44,42	887,92	13,47	57,84	92·89
1945— December	1,200,19	1,210,39	44,42	1,093,07	15,06	57,84	93·98
1946— December	1,218,78	1,258,59	44,42	1,135,32	21,01	57,84	93·70
1947— December	1,217,05	1,274,43	44,42	1,135,32	36,85	57,84	92·57
1948— December	1,192,52	1,208,25	41,67	775,20	45,62	345,77	67·61
1949— December	1,097,68	1,111,07	40,02	602,34	53,48	415,23	57·8
1950— December	1,144,18	1,155,15	40,02	619,15	59,35	436,63	57·06
1951— December	1,141,25	1,160,11	40,02	583,15	68,81	468,13	53·72
1952—							
January	1,154,95	1,169,47	40,02	593,15	68,17	468,13	54·14
February	1,153,17	1,177,24	40,02	601,16	67,94	468,13	54·46
March	1,150,17	1,177,67	40,02	603,15	68,11	466,38	54·61
April	1,155,99	1,180,74	40,02	603,15	72,94	464,64	54·47
May	1,148,23	1,182,33	40,02	603,15	74,53	464,64	54·40
June	1,141,45	1,177,54	40 02	598,15	74,73	464,64	54·19
July	1,121,98	1,153,83	40,02	571,90	77,27	464,64	53·03
August	1,099,48	1,132,10	40,02	547,15	80,29	464,64	51·87
September	1,091,45	1,123,30	40,02	538,15	82,25	462,88	51·47
October	1,084,95	1,120,64	40,02	538,15	83,36	459,11	51·59
November	1,080,75	1,112,92	40,02	538,15	84,43	450,33	51·95
December	1,089,91	1,112,83	40,02	538,15	84,60	450,07	51·95
1953—							
January	1,109,57	1,128,06	40,02	554,15	83,83	450,06	52·67
February	1,123,58	1,140,61	40,02	568,15	82,54	449,91	53·32
March	1,135,06	1,149,66	40,02	578,15	81,63	449,86	53·77
April	1,160,28	1,171,13	40,02	594,40	86,86	449,86	54·17
May	1,168,83	1,187,15	40,02	610,15	87,12	449,86	54·77
June	1,157,40	1,187,07	40,02	608,15	89,04	449,86	54·60
July	1,119,03	1,156,57	40,02	591,15	91,54	433,86	54·57
August	1,096,06	1,129,78	40,02	571,90	92,97	424,89	54·16
September	1,084,45	1,116,34	40,02	558,15	95,01	423,16	53·58
October	1,083,47	1,116,42	40,02	558,15	96,83	421,42	53·58
November	1,104,00	1,126,16	40,02	568,15	96,60	421,39	54·00
December	1,121,09	1,133,35	40,02	575,65	96,30	421,38	54·32

NOTES—

(1) Figures from July 1948 relate to Indian Union only.

(2) Rupee coin figures include Government of India one rupee notes from July 1940.

STATEMENT VI-B

The Reserve Bank of India, Banking Department (1)

Averages of Friday figures

(In lakhs of Rupees)

	Deposits				2) Balances held abroad	Loans and Advances to Government	Bills purchased and discounted	Investment
	Government	Banks	Others	Total				
1942— December	24,38	53,49	4,63	82,50	76,83	67	1,00	6,30
1943— December	33,42	93,89	7,33	134,64	133,26	81	33	7,65
1944— December	249,89	83,37	16,97	350,23	344,91	49	60	14,40
1945— December	488,25	75,89	14,41	578,55	558,82	23	2,39	22,28
1946— December	469,76	77,47	16,53	563,76	485,76	14	51	35,00
1947— December	373,67	111,31	36,16	521,14	386,28	34	80	94,52
1948— December	228,41	72,61	58,29	359,31	259,23	3,54	2,50	90,20
1949— December	164,09	75,29	64,94	304,33	208,23	92	4,39	90,66
1950— December	169,73	66,96	60,76	297,44	208,59	2,94	2,41	92,457
1951— December	213,29	49,82	65,74	328,85	196,44	6,52	7,94	99,99
1952—								
January	213,21	47,20	68,48	328,89	180,36	8,06	6,82	101,1
February	209,69	43,80	68,48	321,97	153,91	7,44	3,26	101,24
March	201,04	46,81	66,95	314,82	123,39	3,04	2,69	101,92
April	154,09	47,35	66,72	268,16	108,10	1,15	12,67	76,41
May	127,41	49,07	65,91	242,40	90,39	90	8,14	76,41
June	111,14	51,88	63,28	226,31	85,69	1,02	8,87	75,73
July	104,66	55,89	62,69	223,22	105,48	3,46	1,26	87,00
August	120,26	62,82	60,73	243,82	130,13	3,33	1,30,	87,70
September	137,35	66,91	58,49	262,76	148,51	2,30	1,41	88,10
October	153,71	62,39	57,79	273,88	158,53	3,42	1,93	90,36
November	163,53	56,17	57,55	277,25	156,64	3,45	1,99	99,23
December	171,32	46,17	58,60	276,08	162,95	3,31	4,04	99,48
1953—								
January	174,88	45,83	62,97	283,68	161,15	3,77	14,87	9,58
February	160,54	43,97	64,74	269,25	152,32	3,68	13,89	100,14
March	151,61	44,13	63,76	259,50	146,30	3,40	9,19	98,19
April	120,36	45,78	61,19	227,33	128,34	3,87	10,81	86,33
May	117,58	41,78	57,43	216,78	106,64	3,69	13,27	87,07
June	134,20	42,50	56,92	233,63	105,60	3,42	16,59	89,76
July	131,31	45,30	60,66	237,26	116,38	3,33	9,27	81,98
August	143,25	45,90	59,83	248,98	128,46	1,30	5,80	88,94
September	152,06	50,33	57,21	25959	143,09	8	2,88	86,75
October	142,84	54,67	57,36	254,88	143,44	5	1,90	85,29
November	126,50	57,14	57,14	240,77	141,08	73	3,74	82,14
December	119,58	52,81	57,44	229,82	141,91	1,81	8,83	76,07

NOTES—

(1) Figures from July 1948 relate to Indian Union only.

(2) Balances held abroad include cash and short term securities.

STATEMENT VII

Position of Scheduled Banks in India

Averages of Friday figures

(Source: Reserve Bank of India) (In lakhs of Rupees)

	Demand liabilities in India	Time liabilities in India	Cash in India	Balance with Reserve Bank	Advances in India (1)	Inland bills discounted in India(2)
1942—						
December	339,72	109,94	13,94	53,33	91,18	2,79
1943—						
December	498,91	152,34	23,48	92,84	158,62	6,36
1944—						
December	611,25	203,77	28,83	81,64	222,05	12,67
1945—						
December	681,31	277,01	37,28	77,60	295,02	20,32
1946—						
December	733,88	330,34	43,53	75,04	431,73	22,68
1947—						
December	652,41	314,91	36,19	109,00	374,81	17,09
1948—						
December	664,80	298,28	36,29	71,69	412,47	18,13
1949—						
December	585,69	268,97	33,44	73,54	389,97	14,79
1950—						
December	598,98	281,58	35,04	65,50	415,48	13,18
1951—						
December	579,55	292,33	38,39	47,82	493,98	38,25
1952—						
January	571,90	293,37	35,89	45,87	526,49	38,03
February	571,71	292,12	34,80	43,24	540,49	39,32
March	566,70	286,22	34,60	45,80	534,01	50,35
April	568,21	285,34	34,12	46,94	523,25	51,48
May	557,98	290,00	33,45	48,74	502,53	49,46
June	557,25	298,72	33,01	50,13	483,75	45,90
July	559,78	309,90	33,71	55,10	466,25	45,15
August	556,29	313,64	32,81	61,28	448,58	38,18
September	549,13	317,19	33,04	65,75	442,73	27,49
October	546,05	316,42	33,95	61,88	439,48	25,82
November	542,19	318,51	32,81	55,14	426,22	26,65
December	535,07	317,85	33,42	44,65	432,43	28,08
1953—						
January	526,17	315,26	34,14	45,08	450,25	32,29
February	526,03	315,32	32,64	43,06	459,73	40,96
March	530,19	313,43	32,58	41,66	465,93	52,18
April	541,81	317,11	32,94	44,49	469,89	58,62
May	529,18	322,18	31,91	39,92	473,54	60,87
June	527,17	324,95	33,22	39,94	464,10	58,38
July	532,42	328,21	31,86	42,99	443,69	52,83
August	527,25	329,39	30,56	44,45	430,70	49,09
September	525,51	330,22	31,12	48,48	422,67	43,68
October	527,00	332,50	31,12	53,01	417,27	39,55
November	525,93	334,01	32,18	55,21	414,71	39,75
December	523,72	332,41	31,83	51,10	412,87	42,06

NOTES:—Figures from July 1948 relate to Indian Union only.

(1) From November 1951, excludes 'Money at call and short notice in India' and 'Bills purchased in India'.

(2) From November 1951, includes 'Bills purchased in India'.

FINANCIAL CONDITIONS

STATEMENTS V, VIA, VIB and VII

The volume of note circulation which averaged to Rs. 1,121·09 crores in December 1953 recorded an increase of Rs. 31·18 crores as compared with December 1952. It will be seen from statement VI-A (which shows the statistics of the Issue Department of the Reserve Bank) that the value of Foreign securities held in the Issue Department which remained stationary at Rs. 1,135·32 crores at the end of December 1947 dropped to Rs. 775·20 crores in December 1948 with the establishment of the State Bank of Pakistan ana it touched the lowest point at Rs. 538·15 crores in December 1952. But the position improved gradually and in December 1953, the average was Rs. 575·65 crores.

The net purchase of sterling by the Reserve Bank of India during 1953 amounted to £83·8 millions as compared with the net sale of £0·8 millions in 1952. The balances held abroad by the Reserve Bank of India amounted to Rs. 144·5 crores at the end of December 1953 as compared with Rs. 167·3 crores at the end of December 1952.

As regards the general banking situation, reference is invited to statement VII which shows the position of the scheduled Banks in India. The demand liabilities of these Banks averaged to Rs. 523·72 crores in December 1953 as compared with Rs. 535·07 crores in December 1952. The time liabilities increased to Rs. 332·41 crores in December 1953, recording a rise of Rs. 14·56 crores as compared with December of the previous year.

The sources of the supply of the sterling and its disposal up to the end of January 1954 are shown in the following table:—

	Crores of Rs.
1. Sterling assets held by Reserve Bank in August 1939	64
2. Sterling purchased by Reserve Bank—	
September 1939 January 1940	63
February 1940 - January 1941	86
February 1941 - January 1942	90
February 1942—January 1943	105
Februaary 1943 January 1944	152
February 1944 —January 1945	137
February 1945 - January 1946	52
February 1946 - January 1947	(—)40
February 1947 - January 1948— -	44
February 1948—January 1949	(—)1
February 1949 —January 1950	148
February 1950 —January 1951	119
February 1951—January 1952	100
February 1952 —January 1953	37
February 1953 - January 1954	108
3. Sterling Payments by the U.K. Government	1,778
4. Sterling amounts involved in repartiation	409
5. Payments to Pakistan under the Monetary Arrangments consequent on the termination of the common currency stystem.	201
6. Purchase of Annuities for sterling Pensions—Gross.	224
7. Payments to the U.K. Governmgnt for Defence Stores and fixed assets located in India	133
8. Other Sterling Commitments	1,338
9. Sterling holding of Reserve Bank at the end of January 1954	

STATEMENT VIII—*Index Number of Prices of certain Industrial Articles.*

(Source: Office of the Economic Adviser to the Government of India)

(Figures relate to the last week of the month)

(Base week ending 19th August 1939=100)

Monthly average or Calendar Months.	Sugar	Kerosene	Petrol	Cotton Manufactures	Jute Manufactures	Cement	Galvanized Corrugated Sheets	Leather	Coal
1941	97*	133	130	158	175	114	199	106	104
1942	120*	176	160	262*	175	134	243*	125	130
1943	144	189	166	439*	241	163	333*	153	197
1944	155	149	171	309*	253	206	349*	203	288
1945	167	172	165	275*	249	205	270*	226	296
1946	179	154	142	262	284	186	233	307	294
(Base : year ended August 1939=100)									
1947	222	144	148	255	476	200	151	300	322
1948	350	182	169	359	504	266	186	305	366
1949	303	185	189	366	511	258	205	313	364
1950	280	192	196	354	561	258	208	356	357
1951	297	197	199	400	813	280	228	442	357
1952	294	229	214	401	505	298	268	354	357
1953	273	230	218	407	402	261	294	410	357
1952—									
January	297	226	209	410*	768	296	249	329	357*
February	297	226	209	410*	640	295	249	346	357*
March	297	226	209	410*	558	295	249	283*	357*
April	297	226	209	410*	526	295	249	274	357
May	297	226	209	390*	456	292	249	288	357*
June	297	228	214	394*	478	292	249	339	357*
July	297	228	214	389*	403	292	270	376	357*
August	297	233	219	389*	438	292	270	390	357*
September	297	233	219	389*	488	292	294	380	357*
October	297	233	219	409*	482	292	294	398	357*
November	297	233	219	406*	421	292	294	430	357*
December	263	230	215	406*	397	268	294	413	357*
1953—									
January	263	230	215	406	388	268	294	409	357*
February	263	230	215	406	389	268	294	426	357*
March	260	230	215	406	375	268	294	444	357*
April	271	230	215	407	357	260	294	418	357*
May	275	230	217	407	406	260	294	414	357*
June	270	230	217	407	421	260	294	421	357*
July	277	227	217	415	412	259	294	415	357*
August	276	227	220	415	409	259	294	407	357*
September	277	233	220	410	384	259	294	394	357*
October	281	233	220	410	410	258	294	385	357*
November	281	233	220	403	438	258	294	398	357*
December	282	222	219	397	430	258	294	391	357*

*Estimated

STATEMENT IX.—*Variable Yield Securities Index* (*Base*: 1927-28=100) *for certain Industries*

(Source : Office of the Economic Adviser to the Government of India)

Monthly averages	Cotton	Jute	Coal	Iron and Steel	Tea	Sugar	Cement	Paper
1941	107·3	57·7	152·1	537·4	75·0	110·9	188·8	316·7
1942	127·1	52·3	154·1	414·1	82·0	113·6	216·9	360·4
1943	196·7	62·9	205·5	533·8	112·2	193·2	279·3	461·1
1944	191·8	76·5	284·5	583·2	120·0	224·5	289·8	509·9
1945	188·2	92·6	333·9	610·7	126·5	211·4	283·9	540·9
1946	262·7	131·8	414·1	724·6	149·8	240·4	313·5	878·1

Variable Yield Securities Index (*Base*: 1938=100) *for certain Industries*

(Source : Reserve Bank of India)

Average of weeks	Cotton, woollen and silk Mills	Jute Mills	Coal	Iron and Steel	Plantations	Sugar	Cement	Paper
1946	432·0	274·3	283·5	282·6	282·0	224·2	215·1	362·0
1947	328·4	202·1	209·1	202·6	238·5	171·7	153·1	271·4
1948	225·4	130·8	139·2	159·6	172·5	143·3	139·9	160·5
1949	159·4	89·1	112·9	133·7	128·0	120·2	120·0	99·1
1950	155·4	86·8	114·6	153·5	142·2	106·2	133·5	109·5
1951	170·3	102·4	131·6	171·5	179·1	97·8	142·3	128·7
1952	143·1	83·1	96·6	134·7	140·6	87·5	141·5	116 4
1953 (1)	130·5	72·5	87·8	131·6	110·8	79·5	141·8	114·0
1952—								
January	164·6	94·1	113·2	146·1	166·7	95·7	150·1	123·6
February	165·0	94·0	109·6	155·0	168·9	94·6	146·6	125·3
March	156·0	85·0	103·7	135·1	161·4	91·6	139·0	118·2
April	146·0	80·0	96·9	120·6	152·3	87·0	131·2	115·3
May	142·6	80·2	95·2	126·7	148·5	86·7	137·3	115·0
June	140·2	84·4	94·4	131·7	141·2	86·0	138·3	114·6
July	139·1	81·2	91·4	133·1	137·7	86·3	140·5	113·3
August	136·8	78·0	90·8	134·2	129·8	86·7	139·1	112·9
September	135·3	78·3	92·2	136·4	125·0	85·8	142·8	113·3
October	132·0	80·2	91·8	133·0	120·0	85·0	144·1	114·9
November	129·9	82·0	90·4	134·6	119·8	83·0	145·2	115·9
December	128·2	77·5	89·5	127·3	114·2	80·8	143·8	114·5
1953—								
January	127.7	74.3	87.1	124.0	110.7	79.0	142.9	112.8
February	128·5	71·5	87.3	129.2	108.7	78·7	139·5	113.6
March	135·3	71 6	89.1	141.7	113·0	80·7	143·1	115.6

Variable Yield Securities Index (*Base*: 1949-50=100) *for certain Industries*

(Source : Reserve Bank of India)

Average of weeks	Cotton, woollen and silk Mills	Jute Mills	Coal	Iron and Steel	Plantations	Sugar and breweries	Cement	Paper
1953 (2)	93·9	82·3	78·0	103·9	88·1	84·6	114·3	153·9
1953—								
April	92·0	80·1	80·1	105·1	81·8	82·8	112·1	153·2
May	93·9	83·2	82·5	106·9	82·4	84·1	113·6	154·6
June	95·2	85·9	82·5	105·4	87·5	85·1	113·9	155·3
July	94·0	82·7	81·0	101·7	87·7	83·3	113·2	151·0
August	93·7	80·8	76·6	100·8	85·2	84·3	111·7	150·4
September	92·1	78·9	74·3	97·6	82·5	84·9	110·7	148·0
October	92·2	79·4	74·2	101·2	88·7	85·3	113·6	149·4
November	95·1	84·1	74·7	107·1	93·4	85·5	117·9	157·6
December	96·8	85·3	76·6	108·9	103·5	85·7	122·0	166·0

(1) Average of first three months.

(2) Average of nine months ending December 1953.

STATEMENT X —*Industrial Profits Index*

(Base : 1939-100)

Industries

(Source : Minisry of Finance)

Year	Jute	Cotton	Iron and Steel	Tea	Sugar	Paper	Coal	Cement	All Intus-tries
1942 . .	351·1	491·3	110·1	228·1	126·7	321·7	80·5	169·1	221·8
1943 . .	376·3	640·0	111·8	142·3	157·8	352·8	95·6	147·9	245·0
1944 . .	310·6	492·1	117·8	110·5	133·5	271·5	237·0	214·4	238·9
1945 . .	327·6	423·3	120·2	150·7	108·9	279·5	258·3	211·6	233·6
1946 . .	415·4	408·9	101·3	198·8	122·4	266·4	198·5	194·1	229·2
1947 . .	313·2	317·7	86·1	216·3	171·5	167·8	171·6	142·5	191·6
1948 . .	361·2	548·1	96·3	127·9	381·3	257·0	201·0	252·6	259·9
1949 .	—89·3	292·0	116·0	138·4	216·4	316·7	287·2	295·0	181·5
1950 .	456·9	356·6	134·9	271·2	262·4	479·0	209·2	333·4	246·6
1951 .	679·1	551·1	158·7	103·9	420·8	604·1	178·4	419·7	310·5

INDUSTRIAL CONDITIONS

STATEMENTS VIII AND IX

Statement VIII shows the trend of prices of industrial articles and it will be seen therefrom that as compared with 1952 there has been an increase during 1953 in the index numbers of prices of five articles viz. Kerosene, Petrol, Cotton manufactures, Galvanized Corrugated sheets and Leather, out of the nine listed there, and decrease in case of three—Sugar, Jute manufactures and Cement. Coal remained stationary at 357. Statement IX which shows the trend of prices of variable-yield securities, reveals that there was a general appreciation in the prices of all the groups during 1953 except coal.

STATEMENT X

Profits, being the main motive force of economic activity, provide one of the best indicators of business conditions. Statement X contains material for a review of the progress made by the most important industries in India during 1942 to 1951.

STATEMENT XI.—*Fixed Yield Government Security Index numbers and Yield on 3½ per cent. and 3 per cent. Government Paper (Bombay)*

(Source : Reserve Bank of India)

Monthly average or Calendar Months	3½ per cent. Paper* Index Number (Base : 1927-28=100)	3½ per cent. Paper* Yield	Yield of 3 per cent. Paper
1942-43	115·0	3·77	3·77
1943-44	117·2	3·62	3·57
1944-45	118·0	3·52	3·33
1945-46	118·6	3·43	3·14
1946-47	121·2	..	2·90
December 1945	119·0	3·38	3·08
1946	120·6 } 105·7(a) }	3·40	2·93
1947	103·0	..	2·96
1948	101·1	..	3·02
1949	99·7	..	3·06
1950	98·0	..	3·11
1951	92·8	..	3·29
1952	82·7	..	3·69
1953	83·7	..	3·64
1952—			
January	81·4		3·74
February	81·7		3·73
March	82·1		3·71
April	82·6		3·69
May	84·0		3·63
June	84·4		3·61
July	81·9		3·72
August	81·3		3·75
September	81·5		3·74
October	82·5		3·69
November	84·2		3·62
December	84·4		3·61
1953—			
January	84·2		3·62
February	84·2		3·62
March	84·2		3·62
April	83·5		3·65
May	83·7		3·64
June	83·8		3·64
July	83·8		3·64
August	83·4		3·66
September	83·5		3·65
October	83·4		3·65
November	83·3		3·66
December	83·8		3·64

* Substituted by 3 per cent. Government paper with effect from 7-9-46.

(a) Base changed to 1938=100.

STATEMENT XII.—*Monthly Cheque Clearance and Call Money Rate—Bombay and Calcutta.*

Monthly average or Calendar Months	Monthly cheque clearance (in crores of rupees)	Inter-Bank Call Rates* Bombay per cent. per annum	Inter-Bank Call Rates* Calcutta per cent. per annum	Monthly average or Calendar Months	Monthly cheque clearance (in crores of rupees)	Inter-Bank Call Rates* Bombay per cent. Per annum	Inter-Bank Call Rates* Calcutta per cent. Per annum
				1952—			
1939 . . .	172·7	19/32	1-13/32	January . .	688·9	2 5/8	1
1940 . . .	173·6	11/16	21/32	February . .	642·5	2 3/4	1 3/4
1941 . . .	204·0	9/32	½	March .	642·4	2 3/4	2 1/4
1942 . . .	215·8	9/32	½	April . . .	588·7	2 27/32	2 7/8
1943 . . .	337·4	½	½	May . .	575·4	2 19/32	2
1944 . . .	432·2	½	½	June . .	510·6	1 29/32	2 5/8
1945 . . .	499·5	½	½	July . .	602·8	1 7/16	2 3/8
1946 . . .	574·2	½	½	August . .	503·9	1 3/8	2
1947 . . .	512·2	½	½	September . .	527·1	1 7/8	2
1948 . . .	555·8	½	½	October . .	530·3	1 1/2	2 9/32
1949 . . .	527·1	⅜	½	November . .	493·1	3/4	1 15/16
1950 .	523·2	9/16	½	December . .	547·8	1 15/16	1 11/16
1951 . . .	655·7	1	½				
1952 .	571·1	2 1/32	2 1/16	*1953*—			
1953 . . .	533·6	2 7/32	2 7/16	January . .	552·1	2 7/8	/8
				February	423·4	2 7/8	2 1/2
				March	615·3	2 3/4	2 5/8
				April . .	586·1	2 3/4	2 3/4
				May . . .	543·2	2 5/8	2 3/4
				June . . .	534·7	2 21/32	2 3/4
				July .	571·9	1 3/4	2 3/4
				August . .	484·8	1 5/8	2 1/2
				September . .	426·4	1 11/16	2 1/2
				October . .	504·6	1 1/4	2 1/4
				November . .	534·2	1 9/16	1 15/16
				December .	626·5	2 1/16	17/8

* Average of Friday figures.

SHORT-TERM MONEY MARKET

Statements XI and XII.—Statement XI shows the index numbers of prices and yield of 3 per cent. Government paper. The yield on the 3 per cent. paper which was quoted at 3·61 per cent. in December 1952 rose gradually to 3·64 per cent. in December 1953.

Statement XII shows the monthly cheque clearances and the inter-bank call-rates in Bombay and Calcutta. The total cheques cleared through clearing houses in India during the twelve months of 1953 amounted to Rs. 6,403 crores as compared with Rs. 6,854 crores during the corresponding period of 1952. At Bombay and Calcutta the call money rates ruled higher during 1953 as compared with the previous year.

STATEMENT XIII.—*Industrial Output.*

Monthly average or Calendar months.

		Coal Raisings (Tons 000)	Iron & Steel (finished steel) Tons (000)	Cotton Manufactures (Piece goods) Yards (Millions)	Jute Manufactures Tons (000)	Sugar Tons (000)
1948	. . . . .	2,485	71·3	368·5	90·5	83·3
1949	. . . . .	2,621	77·4	317·1	76·9	87·0
1950	. . . . .	2,666	82·7	301·2	69·7	86·4
1951	. . . . .	2,859	87·6	349·2	72·9	96·0
1952	. . . . .	3,019	89·7	382·8	79·3	118·2
1953	. . . . .	2,987	..	..	72·4	..
1952	January . .	3,185	88·8	344·9	91·8	316·5
	February . .	3,218	88·3	343·4	83·7	305·5
	March . .	3,068	89·0	374·2	82·9	260·2
	April . .	3,185	81·2	336·2	81·7	163·2
	May . . .	3,174	88·9	380·2	82·3	89·6
	June . . .	2,849	87·7	391·5	73·7	26·9
	July . . .	2,860	92·1	420·4	83·8	4·5
	August . . .	2,833	88·7	407·0	74·3	6·8
	September . .	2,765	87·0	402·3	70·0	6·9
	October . .	2,975	95·4	357·8	76·8	7·9
	November . .	2,884	89·5	393·3	72·2	24·8
	December . .	3,226	98·6	441·9	78·8	206·2
1953	January . .	3,110	85·8	394·4	73·0	308·9
	February . .	3,061	82·4	381·8	68·6	292·8
	March . .	3,076	81·0	408·1	74·4	266·8
	April . . .	3,244	74·2	418·9	74·3	154·0
	May . . .	3,196	73·1	433·1	72·5	34·2
	June . .	2,911	69·8	419·4	72·8	1·5
	July . .	2,753	73·8	420·5	78·4	..
	August . .	2,747	73·2	410·4	68·1	..
	September . .	2,972	74·6	384·9	73·1	0·2
	October . .	2,937	91·8	395·6	66·8	1·4
	November . .	*2,677	100·0	369·0	69·0	32·0
	December . .	3,163	..	..	77·8	..

Source : Central Statistical Organisation (Monthly Abstract of Statistics).

STATEMENT XIII.—*Industrial Output*—concld.

Monthly average or Calendar months.

		Paper cwts. (000)	Cement Tons (000)	Ammonium Sulphate Neutral Tons	Index of Industrial Production (Base : 1946-100)
1948		163·2	129·4	2,934	108·4
1949		172·0	175·2	3,828	105·8
1950		181·5	217·7	3,942	105·0
1951		219·9	266·3	4,392	117·2
1952		229·3	294·8	18,359	128·9
1953		..	..	..	..
1952	January	243·1	285·7	10,690	123·4
	February	218·4	247·4	10,798	129·0
	March	221·9	289·9	13,700	125·5
	April	232·5	297·5	14,524	131·7
	May	218·2	284·3	13,940	126·8
	June	206·0	275·7	13,294	121·6
	July	234·9	321·7	14,238	128·9
	August	235·6	308·2	18,051	126·7
	September	237·2	309·2	24,770	129·1
	October	238·3	291·8	27,927	127·6
	November	227·1	306·5	28,034	134·6
	December	239·0	319·1	30,336	138·6
1953	January	233·0	294·5	30,108	131·1
	February	211·4	266·6	30,896	135·9
	March	227·8	295·6	25,728	131·1
	April	234·0	284·0	24,899	140·6
	May	220·3	323·9	25,921	131·1
	June	212·0	318·8	20,862	132·8
	July	264·8	344·4	26,580	136·2
	August	248·0	307·2	27,011	130·9
	September	257·4	308·2	26,041	136·9
	October	245·7	317·0	26,712	133·2
	November	216·3	338·1	26,650	..
	December	..	..	..	..

Statement XIII presents a brief account of the parts played by some of the important Indian industries during the last five years.

The index of industrial production as calculated on the basis of 1946 production figures stood at 108·4 in 1948 and it came down to 105·0 in 1950. The nation-wide production-drive had, however, its effect felt on the industries in general and the index rose to 117·2 in 1951. The year 1952 witnessed a further rise of 12 points when the index averaged to 128·9. The average of the 1st ten months of 1953 for which figures are available works out to 134·0 and records an advance of 7 points as compared with the corresponding period of 1952.

SECTION V

INCOME-TAX PAYABLE AS PERCENTAGE OF INCOME

SECTION V

Statement showing in selected cases tax payable and as a percentage of income or incomes ranging from Rs. 4,200 to Rs. 30,00,000

Income	Tax at 1954-55 rates on Total Income			
	Wholly earned	Per cent.	Wholly unearned	Per cent.
Rs.	Rs.		Rs.	
4,200	Nil	Nil	Nil	Nil
4,800	110	2.3	155	3.2
5,000	117	2.3	164	3.3
6,000	155	2.6	273	4.6
7,200	247	3.4	405	5.6
8,400	370	4.4	563	6.7
9,600	480	5.0	700	7.2
10,000	517	5.2	746	7.5
12,000	700	5.8	1,140	9.5
13,200	856	6.5	1,376	10.4
14,400	1,046	7.2	1,613	11.2
15,000	1,140	7.6	1,731	11.5
16,800	1,424	8.4	2,203	13.1
18,000	1,613	9.0	2,518	14.0
20,000	1,993	10.0	3,043	15.2
24,000	3,043	12.7	4,093	17.0
25,000	3,305	13.2	4,355	17.4
30,000	5,603	18.7	6,653	22.2
36,000	8,359	23.2	9,409	26.1
40,000	10,196	25.5	11,246	28.1
42,000	11,246	26.8	12,296	29.3
48,000	14,396	30.0	15,446	32.2
55,000	18,071	32.8	19,121	34.8

Income	Tax at 1954-55 rates on Total Income			
	Wholly earned	Per cent.	Wholly unearned	Per cent.
Rs.	Rs.		Rs.	
60,000	21,353	35.6	22,403	37.3
66,000	25,290	38.3	26,340	39.9
70,000	27,915	39.9	28,965	41.4
72,000	29,359	40.8	30,409	42.2
84,000	38,021	45.3	39,071	46.5
85,000	38,743	45.6	39,793	46.8
90,000	42,516	47.2	43,566	48.4
96,000	47,045	49.0	48,095	50.1
1,00,000	50,064	50.1	51,114	51.1
1,50,000	89,439	59.6	90,489	60.3
2,00,000	1,30,454	65.2	1,31,504	65.7
2,50,000	1,71,470	68.6	1,72,520	69.0
3,00,000	2,12,485	70.8	2,13,535	71.2
3,50,000	2,53,501	72.4	2,54,551	72.7
4,00,000	2,94,517	73.6	2,95,567	73.9
5,00,000	3,76,548	75.3	3,77,598	75.5
10,00,000	7,86,704	78.7	7,87,754	78.8
20,00,000	16,07,017	80.3	16,08,067	80.4
30,00,000	24,27,329	80.9	24,28,379	80.9

N.B.—For Hindu undivided families, the amount of tax and percentages are also as shown above except that such families are not liable to pay tax, if the income is not more than Rs. 8,400.

ANNEXURES

ANNEXURE I—DISTRIBUTION OF REVENUE AND EXPENDITURE

Year	Tax Revenue	Cost of Collection	Net Tax Revenue	Net Revenue from Commercial Departments	Opium (Receipts *less* Expenditure)	Currency and Mint (Receipts *less* Expenditure)	Interest Receipts	Extraordinary Receipts	Other Revenue	Total *net* Revenue	Interest on Debt	Reduction or avoidance of Debt	Extraordinary Payment	Defence Expenditure (Net)	Other Expenditure	Net Capital Outlay of Commercial Departments (Posts & Telegraphs and Irrigation) met from Revenue	Total *net* Expenditure	Surplus+ Deficit—
1943-44 . . .	1,70,23	5,15	1,65,08	46,61	—2	7,70	1,62	15,43	4,29	2,40,71	9,09	3,00	30,66	3,58,40	29,47	—1	4,30,61	—1,89,90
1944-45 . . .	2,52,87	7,05	2,45,82	42,18	—5	10,38	1,78	18,78	5,50	3,24,39	18,70	3,00	31,03	3,95,49	36,68	4	4,84,94	—1,60,55
1945-46 . . .	2,81,54	7,87	2,73,67	43,17	—52	15,23	1,67	9,41	6,93	3,49,56	30,62	3,00	21,36	3,60,23	57,75	.3	4,72,99	—1,23,43
1946-47 . . .	2,73,04	8,91	2,64,13	10,45	48	13,92	1,37	2,46	37,00	3,29,81	36,66	5,00	2,47	1,07,37	78,90	1	3,30,41	—60
1947-48 . . .	1,76,63	3,95	1,72,68	3,28	51	—43	60	...	9,04	1,85,68	33,31	5,00	1,12	1,77,57	24,20	...	1,41,20	+44,48
1948-49 . . .	3,17,28	7,37	3,09,91	9,66	35	10,50	1,61	14,37	12,52	3,58,92	37,53	5,00	19,45	1,46,06	1,00,03	1	3,08,08	+50,84
1949-50 . . .	3,09,33	11,71	2,97,62	9,32	—4	9,14	1,36	1,33	14,30	3,33,03	34,43	5,00	11,54	1,48,86	99,96	...	2,99,79	+33,24
1950-51 . . .	3,53,61	10,25	3,43,36	10,40	1,96	9,71	2,13	70	25,20	3,93,46	32,73	5,00	7,03	1,64,13	1,25,60	12	3,34,24	+59,22
1951-52 . . .	4,56,59	12,88	4,43,71	10,29	70	8,79	1,77	5,59	23,65	4,94,50	34,00	5,00	10,91	1,70,96	1,45,45	9	3,66,41	+1,28,09
1952-53 . . .	3,65,02	11,02	3,54,00	8,96	55	7,22	2,91	3,91	19,90	3,97,45	31,50	5,00	10,15	1,79,52	1,32,20	15	3,58,52	+38,93
1953-54 (Budget) .	3,49,77	11,90	3,37,87	9,92	—93	13,12	3,05	18,47	19,23	4,00,73	32,17	5,00	24,49	1,99,84	1,38,64	15	4,00,28	+45
1953-54 (Revised)	3,43,39	11,57	3,31,79	9,47	—61	12,86	2,78	..	20,39	3,76,67	33,85	5,00	15,76	1,99,68	1,39,19	15	3,93,63	—16,96
1954-55 (Budget) .	3,69,15	12,66	3,56,49	8,82	—10	17,79	2,78	10,22	17,75	4,13,75	35,00	5,00	23,97	2,05,62	1,59,41	11	4,29,11	—15,36

NOTE 1.—Accounts for 1947-48, 1948-49, 1949-50, 1950-51, 1951-52 and 1952-53 have not been finally closed and the figures given here are only provisional.

NOTE 2.—Figures for 1947-48 are for the period from the 15th August 1947 to the 31st March 1948.

ANNEXURE II—ANALYSIS OF TAX REVENUE INCLUDED IN ANNEXURE I

Year	Revenue from Customs	Revenue from Union Excise Duties	Cost of Collection	Revenue from Taxes on Income including Corporation Tax (excluding State's share)	Cost of Collection	Revenue from Estate Duty (excluding State's share)	Cost of Collection	Revenue from Salt	Cost of Collection	Other Tax Revenue	Cost of Collection	Total Gross Tax Revenue	Transfers to Central Road Fund	State's share of divisible Excise Duty	Tax Revenue retained by Union Govt.	Total Cost of Collection	Total net Tax Revenue
1943-44 . .	26,57	24,94	2,19	1,09,64	98	..	..	8,34	1,29	1,66	69	1,71,15	92	..	1,70,23	5,15	1,65,80
1944-45 . .	39,76	38,14	3,97	1,64,74	1,09	..	..	9,29	1,24	1,96	75	2,53,89	1,02	..	2,52,87	7,95	2,45,82
1945-46 . .	73,61	46,37	4,38	1,49,80	1,28	..	..	10,20	1,36	2,16	85	2,82,14	60	..	2,81,54	7,87	2,73,67
1946-47 . .	89,22	43,03	4,40	1,30,72	1,52	..	..	8,97	2,01	2,52	98	2,74,46	1,42	..	2,73,04	8,91	2,64,13
1947-48 . .	72,74	24,38	1,44	78,11	95	..	..	80	1,04	1,47	52	1,77,50	87	..	1,76,63	3,95	1,72,68
1948-49 . .	1,26,16	50,63	4,07	1,39,98	1,82	..	..	..	..	3,19	1,48	3,19,96	2,68	..	3,17,28	7,37	3,09,91
1949-50 . .	1,24,71	67,85	8,15	1,15,37	2,01	..	..	..	..	3,60	1,55	3,11,53	2,20	..	3,09,33	11,71	2,97,62
1950-51 . .	1,57,15	67,54	5,91	1,25,71	2,44	..	..	..	..	6,61	1,90	3,57,01	3,40	..	3,53,61	10,25	3,43,36
1951-52 . .	2,31,69	85,78	8,35	1,34,74	2,70	..	..	..	..	7,78	1,83	4,59,99	3,40	..	4,56,59	12,88	4,43,71
1952-53 . .	1,73,75	83,03	6,65	1,28,25	3,04	..	..	..	..	2,02	1,33	3,87,05	5,20	16,83	3,65,02	11,02	3,54,00
1953-54 (Budget)	1,70,00	94,00	7,04	1,04,70	3,41	..	..	..	..	2,16	1,45	3,70,86	4,60	16,49	3,49,77	11,90	3,37,87
1953-54 (Revised)	1,60,00	93,55	6,74	1,07,71	3,30	..	2	..	..	2,25	1,51	3,63,51	4,60	15,55	3,43,36	11,57	3,31,79
1954-55 (Budget)	1,75,00	1,03,30	7,42	1,09,02	3,57	25	16	..	..	2,27	1,51	3,89,84	4,40	16,29	3,69,15	12,66	3,56,49

ANNEXURE III—ANALYSIS OF INTEREST PAYMENTS INCLUDED IN ANNEXURE I

Year	Interest on Ordinary Debt	Interest on unfunded debt and other obligations									Total Interest on Unfunded Debt & other Obligations	Amounts transferred to						Total Interest Payments (net)
		Bonus on P.O. Certificates	Post Office Savings Bank	State Provident Funds	Service Funds	Railway Reserve Fund	Railway Development Fund	Railway Depreciation Fund	P. & T. Renewals Reserve Fund	Other Items		Railways	Irrigation	Posts and Telegraphs	States	Other Heads	Total Transfers	
1943-44 . . .	31,53	1,07	97	3,32	19	59	..	3,46	13	1,62	11,35	28,05	6	99	4,42	27	33,79	9,09
1944-45 . . .	36,96	1,02	1,38	3,44	20	1,05	..	3,60	14	2,28	13,11	27,32	6	1,07	2,67	25	31,37	18,70
1945-46 . . .	45,42	1,24	1,94	3,60	11	1,27	..	3,66	17	3,98	15,97	27,10	6	1,12	2,26	23	30,77	30,62
1946-47 . . .	49,15	1,79	2,49	3,63	18	98	24	3,56	18	4,38	17,43	26,15	6	1,18	1,97	20	29,92	36,66
1947-48 . . .	13,73										16,34	13,29	1	53	82	11	14,76	33,31
1948-49 . . .	46,77	3,03	2,41	2,53	16	21	44	3,16	18	4,14	16,26	22,36	1	94	1,98	21	25,50	37,53
1949-50 . . .	47,86	3,34	2,90	3,18	16	21	42	3,35	17	2,28	16,01	23,18	1	97	2,84	2,44	29,44	34,43
1950-51 . . .	45,37	4,63	3,27	3,54	16	33	53	3,59	18	3,63	19,86	26,01	1	1,16	3,28	2,41	32,87	32,36
1951-52 . . .	46,20	4,65	3,57	3,62	15	76	65	3,58	18	6,23	23,39	26,47	1	1,30	5,19	2,62	35,59	34,00
1952-53 . . .	44,57	5,18	3,94	4,03	8	1,06	76	4,09	17	6,77	26,09	26,89	1	1,53	7,84	2,89	39,16	31,50
1953-54 (Budget) .	51,28	6,08	4,22	4,33	13	1,07	65	3,22	16	3,77	23,63	27,12	1	1,65	11,00	2,96	42,74	32,17
1953-54 (Revised) .	51,95	6,05	4,21	4,50	14	1,12	70	3,47	17	4,54	24,90	26,97	1	1,73	11,35	2,94	43,00	33,85
1954-55 (Budget) .	57,98	6,75	4,41	4,77	13	1,16	50	3,21	16	4,66	25,75	28,13	1	1,98	15,55	3,06	48,73	35,00

ANNEXURE IV—ANALYSIS OF "OTHER EXPENDITURE" INCLUDED IN ANNEXURE I

Year	Forest Expenditure	Civil Administration	Miscellaneous					Commutation of Pension	Civil Works	Salt and other Capital Outlay met from Revenue	Grants-in-aid, Subvention to States, etc.	Total
			Famine	Superannuation Allowance, etc.	Stationery and Printing	Miscellaneous	Total					
1943-44	15	18,68	1	2,62	2,19	44	5,26	—2	—36	..	5,76	29,47
1944-45	17	24,02	..	2,73	3	3,77	6,53	—4	—2,77	2	8,75	36,68
1945-46	29	29,45	..	2,85	2,71	11,80	17,36	11	78	2	9,74	57,75
1946-47	49	39,68	..	2,80	1,55	28,43	32,78	..	4,21	2	1,72	78,90
1947-48	29	14,66	..	1,09	52	3,33	4,94	..	2,47	..	1,84	24,20
1948-49	68	35,56	..	2,50	2,32	52,07	56,89	..	3,94	..	2,96	1,00,03
1949-50	91	39,30	2	2,61	2,36	47,47	52,46	..	4,33	..	2,96	99,96
1950-51	1,36	48,80	6	6,99	1,54	44,28	52,87	..	6,98	..	15,59	1,25,60
1951-52	1,37	53,67	39	8,55	1,41	54,79	65,14	..	7,96	..	17,31	1,45,45
1952-53	92	51,71	13	7,84	2,64	38,25	48,86	..	7,91	..	22,80	1,32,20
1953-54 (Budget)	1,17	71,27	..	8,36	2,21	18,80	29,37	..	10,46	..	26,37	1,38,64
1953-54 (Revised)	1,10	68,57	..	8,60	1,76	22,65	33,01	..	10,15	..	26,36	1,39,19
1954-55 (Budget)	1,29	86,08	..	8,46	2,06	17,90	28,42	..	11,14	..	32,48	1,59,41

ANNEXURE V—ANALYSIS OF EXPENDITURE ON "CIVIL ADMINISTRATION" INCLUDED IN ANNEXURE IV

Year	General Administration	Audit	Administration of Justice	Jails and convict settlements	Police	Ports and Pilotage	Lighthouses and Lightships	Ecclesiastical	Payments to Crown Representative	Tribal Areas	External Affairs	Scientific Departments	Education	Medical	Public Health	Agriculture	Rural Developments	Veterinary	Co-operation	Industries	Aviation	Broadcasting	Deptt. of Industries and Supplies	Miscellaneous Deptts.	Total
1943-44	3,31	1,03	11	10	2,67	42	9	7	1,34	2,84	1,13	58	39	30	20	2,19	...	12	1	24	66	58	...	30	18,68
1944-45	4,24	1,19	15	10	2,71	38	10	5	1,46	3,11	1,14	1,32	42	35	28	3,43	...	15	1	72	53	65	...	1,53	24,02
1945-46	5,36	1,49	21	18	3,16	46	13	8	1,90	3,68	1,41	1,26	51	42	32	2,42	...	20	1	1,27	39	78	...	3,81	29,45
1946-47	6,16	1,72	23	11	1,02	59	10	7	2,36	4,64	4,38	1,48	85	54	50	3,21	...	22	1	1,31	83	94	3,74	4,37	39,68
1947-48	3,39	1,03	8	3	62	28	3	—2	2	62	77	1,13	96	29	30	56	...	13	1	2,71	20	50	...	1,02	14,66
1948-49	7,40	2,27	24	11	1,69	58	10	5	...	99	2,86	2,85	1,44	84	56	1,87	...	37	2	6,20	1,88	1,31	...	1,93	35,56
1949-50	8,96	2,51	25	12	2,10	71	7	5	...	1,24	3,07	3,83	1,66	94	72	1,28	...	31	2	5,13	2,19	1'64	...	2,50	39,30
1950-51	8,89	3,52	45	19	3,04	63	12	—2	...	1,56	3,65	4,35	3,23	1,32	68	2,33	2	32	3	6,55	2,89	1,72	...	3,33	48,80
1951-52	9,94	4,01	42	20	3,80	72	16	...	...	1,74	3,98	5,18	4,08	1,51	80	2,21	2	32	4	6,09	2,66	1,95	...	3,84	53,67
1952-53	9,45	4,37	17	5	2,91	83	20	...	...	2,16	4,19	6,24	3,32	72	69	2,22	...	30	1	5,48	2,72	1,92	...	3,76	51,71
1953-54 (Budget)	11,69	4,99	19	5	3,26	1,01	29	...	...	3,78	4,55	8,07	5,46	1,16	1,22	3,27	1	34	1	12,94	2,93	2,20	...	3,86	71,27
1953-54 (Revised)	11,58	4,94	19	5	3,38	86	25	...	...	3,29	4,51	7,93	5,06	97	1,02	2,85	1	33	1	12,25	2,87	2,19	...	4,03	68,57
1954-55 (Budget)	12,40	5,44	21	5	3,85	1,02	29	...	...	4,37	4,77	8,86	12,81	1,64	2,22	4,98	1	37	1	13,87	2,51	2,24	...	4,16	86,68

ANNEXURE VI

List of New Items of Expenditure costing Rupees Five Lakhs and above and included in the Budget for 1954-55.

All New Items of expenditure are shown in thick type in Part III of the Demands giving details of the provision in each Demand. For this purpose expenditure on new schemes sanctioned in previous years is also treated as new expenditure. The list below shows with brief explanatory notes the provisions in the Budget for 1954-55 in respect of important schemes costing Rs. 5 lakhs and over:—

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget 1954-55
	MINISTRY OF COMMERCE AND INDUSTRY	
2.—Industries	DEVELOPMENT OF COTTAGE AND SMALL SCALE INDUSTRIES	
	The provision has been made for development of handicrafts, village industries, silk industry and other small scale industries	2,01,00
	DEVELOPMENT OF HANDLOOM AND KHADI INDUSTRIES	
	The expenditure will be met from the special cess on mill-made cloth levied for the purpose	4,10,00
	DEVELOPMENT OF TEA INDUSTRY	
	A sum of Rs. 83·56 lakhs out of the proceeds of customs duty on tea will be spent on the industry . .	83,56
	DEVELOPMENT OF COFFEE INDUSTRY	
	A sum of Rs. 5·65 lakhs out of the customs and excise duties on coffee will be spent on the industry . .	5,65
	EXPENDITURE ON EXHIBITIONS AND SHOW ROOMS ABROAD	
4.—Miscellaneous Departments and Expenditure under the Ministry of Commerce & Industry.	The provision is intended for organising Indian Exhibitions abroad and for participating in exhibitions and trade fairs held outside India to popularise Indian products and for supply of cottage industries' products to the exhibitions and show rooms attached to the Indian Trade Offices abroad	17,00
	INVESTMENT IN THE SHARE CAPITAL OF THE CIVIL EXPLOSIVES FACTORY	
110.—Capital outlay of the Ministry of Commerce and Industry.	In pursuance of a decision to establish a new company for the manufacture of India's requirements of commercial blasting and high explosives, the Government of India has entered into an agreement with the Imperial Chemical Industries and has agreed to contribute 20% of the authorised capital of the Company	40,00

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget 1954-55
	MINISTRY OF COMMUNICATIONS	
	AERONAUTICAL TRAINING AND EDUCATION	
9.—Aviation . . .	Provision for the payment of subsidy to the Flying Clubs for training youngmen in flying . .	14,00
	CONTRIBUTION TO THE INTERNATIONAL CIVIL AVIATION ORGANISATION	
10.—Miscellaneous Departments and expenditure under the Ministry of Communications.	To keep in touch with the latest developments in international air transport and air navigation, India, a member of the I.C.A.O., has to pay every year its contribution for meeting the expenses of this Organisation. The estimated contribution for the year 1955 is Rs. 5,20,000	5,20
	CONTRIBUTIONS TO AIR CORPORATIONS	
	The provision is required for payment of compensation for any loss which the Air Corporations may incur as a result of carrying out directives issued by the Central Government under the Air Corporation Act, involving change in their activities .	5,00
112.—Capital Outlay on Civil Aviation.	Provision for construction of buildings for residential and office purposes, hangars, wireless transmitting stations, aprons, tax-tracks, electricity and water supply facilities improvements to runways, lighting for runway and tax-tracks and construction of new aerodromes at Kandla, Chandigarh, Haldwani Udaipur, (Dabok), Nowgong, Bhagalpur Calcutta and Hubli, as included in the Five Year Plan	79,20
	Provision for carrying out new minor works at different aerodromes	8,43
	EQUIPMENT	
	Aeronautical Communication Service . . .	49,40
	Air Routes & Aerodromes	18,70
	Provision for purchase of equipment for modernising Meteorological Observatory at Dum Dum Air Port and Solar Physics Observatory at Kodaikanal as included in the Five Year Plan . . .	10,00
113.—Other Capital Outlay of the Ministry of Communications.	Provision for the purchase of plant, machinery and equipment and construction of buildings at Delhi and Calcutta for the Overseas Communications Service	38,00
	INDIAN TELEPHONE INDUSTRIES	
	The provision is intended to provide additonal working capital to the Company due to increase in its production capacity. The estimated additional requirement of the Company during the 3 years 1953-54 to 1955-56 is Rs. 2,50 lakhs, out of which a provision of Rs. 82 lakhs has been made in the current budget Rs. 85 lakhs in the next budget and the balanced of Rs. 83 lakhs will be provided during	

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget 1954-55
	MINISTRY OF COMMUNICATIONS—*contd.*	
113.—Other Capital Outlay of the Ministry of Communications—*concld.*	1955-56. The proposal to increase the authorised capital of the Company from Rs. 2,50 lakhs to Rs. 4,00 lakhs is under the consideration of the Government. If it is ultimately accepted, the provision made in the current and next year's budget will be utilised for investment in the share capital of the company and the balance made available to it in the form of loan at a suitable rate of interest	85,00
	INDIAN AIRLINES CORPORATION	
	The provision is made for purchase of new aircraft, motor vehicles, workshop equipment, stores, etc., construction of buildings and payment of compensation to Air Transport Companies . . .	1,60,00
	AIR INDIA INTERNATIONAL CORPORATION	
	The Provision is made for balance payment on the purchase of 5 aircrafts, payment of compensation to Air India International Ltd. and other capital expenditure	4,49,37
	LOANS TO INDIAN AIRLINES CORPORATION	
121.—Loans and Advances by the Central Govt.	Provision is made for advance of loan to the Indian Airlines Corporation for meeting its operational losses during 1953-54	57,30
	DIRECTOR GENERAL, POSTS & TELEGRAPHS	
	INDIAN POSTAGE STAMP CENTENARY CELEBRATIONS	
6.—Indian Posts & Telegraphs Department (including working expenses)	The Centenary of the first issue of Postage Stamps falls on 1st October, 1954. The Posts & Telegraphs Department proposes to celebrate it on the lines of the Centenary Celebrations organised by other Posts & Telegraphs Administrations of the world on similar occasions. The expenditure in this connection is expected to be Rs. 10 lakhs	10,00
111.—Capital Outlay on Posts & Telegraphs (not met from Revenue).	Calcutta Auto Scheme	1,59,00
	Bombay Expansion Scheme	56,58
	Tis Hazari (Old Delhi) Expansion Scheme . .	11,17
	Ahmedabad Phone Expansion Scheme . .	12,08
	Madras Phone Expansion Scheme	18,31
	Hyderabad State Phone Expansion Scheme . .	25,13
	Plant and Machinery for Workshops	13,81
	Delhi Secretariat Exchange	18,66
	Expansion of Kanpur Exchange	11,10
	Expansion of Lucknow Exchange	13,61
	Expansion of Bangalore Exchange	8,76
	Expansion of Poona Exchange	12,36
	Expansion of Auto Exchange, Nagpur (1000 lines) .	15,36
	Installation of Auto Exchange, Indore (500 lines) .	9,77
	Laying cables for Defence Services	23,27

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget 1954-55
	MINISTRY OF COMMUNICATIONS—*concld.*	
111.—Capital Outlay on Posts & Telegraphs (not met from Revenue)—*concld.*	Expansion of Telephone System, Amritsar . .	9,30
	Construction of staff quarters at Delhi and New Delhi	8,36
	Construction of staff quarters at Matapan Lines, Delhi	9,81
	Expansion of Karolbagh Exchange	11,19
	Installation of 12 channel carriers, Indore-Bombay .	5,88
	Erecting one pair of 300 lbs. cu. wire from Chiplima to Chowdwar for Hirakud Dam Authorities .	5,64
	Laying of Calcutta-Asansol Trunk Cable . . .	12,47
	Purchase of sites and construction of class III and class IV staff quarters at Bombay	8,24
	Expansion of Patna Telephone System . . .	5,46
	MINISTRY OF EDUCATION	
	AWARD OF PRACTICAL TRAINING STIPENDS	
19.—Other Scientific Departments.	The scheme was formulated to give a two year course of post-institutional practical training in Engineering and Industrial Establishments to selected students qualifying from Engineering and Technological Institutions. There are two categories of stipends, namely, the Senior Stipends of Rs. 150 per month and the Junior Stipends of Rs. 75 per month. The scheme has since been re-oriented and stipends are now instituted in the Training Establishments and not allotted to the Engineering and Technological Institutions as was the practice previously. A sum of Rs. 8 lakhs has been included in the estimates for 1954-55 for continuance of the scheme.	8,00
	IMPLEMENTATION OF THE DEVELOPMENT PLAN OF SELECTED ENGINEERING AND TECHNOLOGICAL INSTITUTIONS.	
	In 1946, the All India Council for Technical Education emphasised the need for strengthening Engineering and Technological Institutions in order to improve and expand the facilities for technical education. The Government of India after considering the report of expert Committees, approved grants to certain non-Government Institutions, subject to the fulfilment of certain conditions, of capital and recurring grants and interest free loans for construction of buildings and purchase of equipment, etc. The scheme is in its final stages of implementation and the provision represents the balance of the grants to be paid, exclusive of recurring payments. .	22,00

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget 1954-55
	MINISTRY OF EDUCATION—*contd.*	
19.—Other Scientific Departments—*concld.*	GRANTS TO UNIVERSITIES AND INSTITUTIONS FOR DEVELOPMENT OF SCIENTIFIC AND TECHNICAL EDUCATION AND RESEARCH.	
	The aim of this scheme, which was originally launched in 1949-50 on the recommendations of the Scientific Manpower Committee, was to strengthen and develop research departments of Universities. The scheme has since been extended and enlarged and grants are now given to Universities and Technical Institutions for equipping Laboratories, Workshops and Libraries, for construction of necessary buildings and for appointment of staff. A lump sum provision of Rs. 130 lakhs has been made in the Budget Estimates for 1954-55. . . .	1,30,00
	AWARD OF RESEARCH TRAINING SCHOLARSHIPS	
	The object of this scheme is to promote research development in Universities and Educational Institutions in order to ensure a steady flow of trained research workers from Universities to the National Laboratories and other Centres of research. From 1952-53 onwards a procedural change has been made in the system of allocation of scholarships to the Institutions. Instead of instituting batches of scholarships every year, as was done previously, a more or less fixed quota of scholarships has been allotted to each institution. Altogether there are at present 311 Senior Scholars and 236 Junior Scholars. The Senior Scholarship is of the value of Rs. 200 p.m. and Junior Scholarship of the value of Rs. 100 p.m. The tenure of each scholarship is three years. A provision of Rs. 10.8 lakhs has been made in the Budget Estimates for 1954-55 for the scheme. .	10,80
	GRANTS-IN-AID TO INDIAN INSTITUTE OF SCIENCE, BANGALORE	
	The provision includes Rs. 21,00,000 block recurring grant and Rs. 11,60,000 non-recurring grant for schemes in operation at the Institute plus Rs. 32,300 (Rs. 23,300 recurring and Rs. 9,000 non-recurring) on account of Electrical Mechanical Engineering Unit of the N.C.C. at the Institute. It is expected that development schemes of the Institute will be completed during the next year. .	32,92
	BLOCK GRANTS TO CENTRAL UNIVERSITIES	
20.—Education.	On the recommendations of the Reviewing Committee appointed in 1950-51, the following annual block grants have been fixed for the Central Universities at Aligarh, Banaras and Delhi for their maintenance for a period of five years from 1951-52 :— Aligarh Muslim University Rs. 12,50,000. Banaras Hindu University Rs. 23,20,000. Delhi University Rs. 11,60,000 . .	47,30

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF EDUCATION—*contd.*	
20.—Education—*contd.*	DEVELOPMENT GRANTS TO CENTRAL UNIVERSITIES	
	Special grants to Central Universities for development schemes approved by the Government of India and not covered by the block grants. This includes special grants payable to Central Universities for deficits incurred by them on the basis of approved expenditure.	31,00
	DEVELOPMENT GRANTS TO UNIVERSITIES UNDER THE FIVE YEAR PLAN	
	Under the Five Year Plan a sum of Rs. 1·2 crores is earmarked for a number of schemes of Higher Education and Research. In this connection Rs. 20 lakhs was paid in 1952-53, Rs. 25 lakhs was provided during 1953-54 and Rs. 30 lakhs is being provided for 1954-55	30,00
	GRANTS FOR COLLEGES IN DELHI	
	Recurring grants for maintenance and non-recurring grants for buildings to constituent Colleges of Delhi University	13,00
	GENERAL CULTURAL ACTIVITIES.	
	A provision of Rs. 10·03 lakhs has been made with a view to improve cultural relations with foreign countries and promote mutual goodwill and understanding between India and various foreign countries. The main activities envisaged are organisation of art exhibitions abroad, grants to educational and cultural societies and institutions abroad, receiving and sending of cultural delegations and goodwill missions, participation in International Congresses and Conferences, assistance to dancers, musicians and artists to go abroad, presentation of sets of libraries and opening of mobile library and film units abroad, etc.	10,03
	NATIONAL ACADEMIES	
	Combined provision for the three National Academies, *viz.*, (*i*) Academy of Dance, Drama and Music (*ii*) Academy of Letters and (*iii*) Academy of Arts .	5,50
	BASIC AND SOCIAL EDUCATION, ETC.	
	Scheme for basic, secondary and social education, as envisaged in the Five Year Plan	8,13,00
	Provision for Youth Welfare and Physical Education.	5,00
	SCHOLARSHIPS TO SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD CLASSES	
	Provision for about 15,000 scholarships to Scheduled Castes, Scheduled Tribes and other Backward Classes students for post-matriculation studies. This number includes renewal of about 8,000 scholarships granted in 1953-54 and about 7,000 fresh scholarships.	74,50

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF EDUCATION—*concld.*	
20.—Education—*concld.*		
	YOUTH CAMPS AND LABOUR SERVICES	
	A provision of Rs. 20 lakhs has been made in next year's Budget in pursuance of the recommendation in the first Five Year Plan for instituting compulsory labour and social services both as a matter of educational reform and as a means of improving the quality of manpower. It is primarily aimed at building up the student community as workers and disciplined citizens and this is sought to be achieved by organising annual labour camps of 3 to 6 months duration for students of both sexes between the ages of 18 and 22.	20,00
	Scholarships to Indian and indigenous students from certain Asian, African and other Commonwealth countries selected for study in India.	
	The scheme was introduced in 1949-50 and 100 scholarships are awarded every year for study in India to foreign students with the object of promoting cultural relations between India and neighbouring countries	6,25
	INDIAN INSTITUTE OF TECHNOLOGY, KHARAGPUR	
	The Institute is the first in the chain of four Higher Technological Institutions recommended by the Sarkar Committee in 1948 to meet the demands of higher specialists.	51,62
	ACQUISITION OF ART OBJECTS	
21.—Miscellaneous Departments and Expenditure under the Ministry of Education.	The provision has been made for the purchase of art objects worthy of being preserved for the nation and for payment of Government of India's contributions to the National Art Treasures Fund. . .	5,00
	MINISTRY OF EXTERNAL AFFAIRS	
22.—Tribal Areas.	The provision is made to meet the cost of relief measures and supply of free rations to North East Frontier Agency Staff	18,00
	Provision for increased allowances on account of reorganisation and expansion of the N.E.F. Agency Employees' cadre	16,00
	Provision for expansion of the administration and to cover the cost of miscellaneous schemes . . .	20,00
	Provision for implementation of the Community Projects in the N.E.F. Agency.	8,26
23.—External Affairs.	Provision to cover expenditure on the proposed Central Passport Organisation for the issue of International Passports	6,34
	Payment of fixed annual subsidies to Sikkim and Bhutan	8,00

(in thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF EXTERNAL AFFAIRS—*concld.*	
23.—External Affairs—*concld.*		
	The provision is made to meet the expenditure on Indian Delegates to U. N. O. and International Conferences	5,50
	Provision for development measures . . .	14,66
	Provision for gifts in the form of commodities for relief of Palestine refugees	5,00
	MINISTRY OF FINANCE	
	MULTIPURPOSE NATIONAL SAMPLE SURVEY	
26.—Ministry of Finance	The National Sample Survey has been collecting, through a series of inquiries on a random sample basis, important facts regarding production, consumption and other aspects of economic life so as to fill the lacunae in available statistical information relating to the various types of economic activity in India	49,62
	DRAWBACKS AND EX-GRATIA PAYMENTS	
27.—CUSTOMS	The provision is made to cover drawbacks and ex-gratia payments of customs duty. The expenditure was hitherto being met from revenues but it has now been decided that it should be treated as expenditure from the Consolidated Fund of India and should be provided in the budget estimates	58,00
	REBATES AND EX-GRATIA PAYMENTS	
28.—Union Excise Duties	The provision is made to meet rebates and ex-gratia payments of the Union Excise Duties which hitherto were being made from revenues but are now to be treated as expenditure from the Consolidated Fund of India	1,00,00
	GRANTS TO STATISTICAL INSTITUTIONS	
38.—Miscellaneous Departments and Expenditure under the Ministry of Finance.	Provision for grants to the Indian Statistical Institute, Calcutta, which has been receiving regular grants from the Central Government since 1935. The Institute is intended to be developed as the focal centre for professional training in research on the same lines as a higher technological institute, Includes provision of Rs. 96,000 for running the International Statistical Education Centre at Calcutta, which caters to the needs of Asian students in the field of statistics and is run by the Indian Statistical Institute	10,71
	TECHNICAL AND ECONOMIC AID	
	The provision includes Rs. 80 lakhs for economic aid under the Colombo Plan, Rs. 14·34 lakhs for India's annual contribution to the expanded Programme of Technical Assistance of the United Nations and Rs. 17·14 lakhs for Technical Assistance to South and South East Asian countries. The latter amount is chargeable to the contribution of Rs. 1 crore which India, as a member of the Technical Co-operation Scheme of the Colombo Plan, has agreed to make over a period of seven years from June 1950 for technical assistance to the South and South East Asian Countries	1,11,48

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget 1954-55
	MINISTRY OF FINANCE—*contd.*	
	SOCIAL EDUCATION ORGANISERS' TRAINING	
38—Miscellaneous Departments and Expenditure under the Ministry of Finance—*concld.*	There are several training schemes in support of the community development programme and the National Extension Service. The field of social education is comparatively new and the organiser in this field has an important role to play in every activity included in the development programme. A scheme of training of about 5 months' duration for these organisers was drawn up and started in April 1953, at five centres. Assistance has been made available by the Ford Foundation to the extent of Rs. 9,15,000, and by the T.C.M. to the extent of Rs. 2,37,500 in the shape of equipment. The further expenditure in rupees by the Govt. of India is estimated at Rs. 8,44,000. The budget provision included for the next year is Rs. 7,28,000	7,28
	COMMUNITY DEVELOPMENT PROGRAMME	
1 - Extraordinary Payments	Under Operational Agreement No. 8 with the Technical Co-operation Mission, 55 Community Projects were started in 1952. In most cases, work was started only in one block of each project last year and this year it has been started in all the blocks. Work is now gathering momentum, and the rate of expenditure is expected to show a substantial increase in 1954-55. In addition, a supplementary agreement was entered into with the Technical Co-operation Mission for 55 additional development blocks at a cost of Rs. 15 lakhs per block in three years. The T. C. M. have agreed to make available equipment to the extent of Rs. 91·63 crores, in addition to which the rupee expenditure will be Rs. 7·33 crores. The provision included on this account in the next budget is Rs. 7·5 crores. . . .	7,50,00
	NATIONAL EXTENSION SERVICE	
	The original intention was to expand the community development programme with more blocks of the same pattern. But it has now been decided to undertake an Extension Service to cover a larger area and on a more permanent basis. The Scheme is to cover the country with National Extension Service blocks, with a programme similar to that of the community development blocks, but with less financial provision per block. During the period of the First Plan, some 900 NES blocks are to be taken up at an expenditure of Rs. 7·5 lakhs per block in three years. It is also intended later to take up some of these blocks for further intensive development, upto the standard of community development blocks, by spending another Rs. 7·5 lakhs on each of them. During the First Plan period, about 400 blocks are expected to be taken up for intensive development. Some 250 NES blocks were started in 1953-54, and another 270 will be taken up in 1954-55. A provision of Rs. 4,69,94,000 has been included on this account in the next year's budget	4,69,94

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF FINANCE—*concld.*	
1.—Extraordinary Payments—*concld.*	DEVELOPMENT GRANTS TO PART B STATES	50,91
	GRANT-IN-AID TO INSTITUTIONS CONDUCTING SOCIAL WORK	
	Provision has been made for grants to institutions doing work for the uplift of backward and under-privileged communities and delinquents, care and employment of the destitutes, the blind, the deaf and the dumb, rehabilitation of fallen women, urban and rural welfare etc. . .	1,50,00
	Grants for welfare of backward classes . .	1,25 00
	RESETTLEMENT OF LANDLESS WORKERS	
	Provision for grants-in-aid to State Governments for formulating and implementing suitable schemes for the resettlement of landless workers in their areas	5,00
	SOIL CONSERVATION SCHEMES	
	Subsidy in respect of the Soil Conservation Schemes to the States concerned.	25,00
	Grants to States for Co-operative Training. . .	15,00
	TRAINING OF VILLAGE LEVEL WORKERS	
	Grants to States for establishment of basic Agricultural Schools.	45,50
	Training of group level workers at extension Training Centres and Establishment of Agricultural Workshops with the and received from Ford Foundation.	10,00
	Grants-in-aid to States for undertaking Schemes for improvement in land records and agricultural statistics.	10,00
	LOCAL WORKS	
120—Other Capital Outlay of the Ministry of Finance.	The local development programme is designed to encourage and develop local initiative and self-reliance in the people by affording them ready opportunities for carrying out small schemes which are of direct benefit to them, e.g., water supply, improvement of agriculture, rural sanitation, village roads, school buildings, etc. The people themselves contribute to the extent of 50% either in cash or through supplies in kind or through voluntary labour. The balance of 50% is met by the Central Government. A sum of Rs. 3 crores was provided in the budget estimates for 1953-54 for this scheme. Greater enthusiasm of the people for this programme is expected in the next year and a sum of Rs. 6 crores has been provided.	6,00,00

(In thousands of Rupees

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF FOOD AND AGRICULTURE	
	CENTRAL SOIL CONSERVATION BOARD	
44.—Forests . . .	. A Central Soil Conservation Board has been set up to organise, co-ordinate and initiate research in Soil Conservation on various types of lands put to different uses and to help the State Governments and River Valley Project Administrations in drawing up their Schemes for Soil Conservation etc.	5,26
45.—Agriculture	. Grant-in-aid to the Indian Central Jute Committee	25,00
	Grant-in-aid to the Indian Central Tobacco Committee	8,00
	Grants-in-aid to States and the Indian Statistical Institute, Calcutta, for conducting the F. A. O. Census of Agriculture	,30
	Development of Fisheries Community Project in Travancore-Cochin State under the Norwegian Aid Programme. This represents the aid in terms of materials and equipment received from Norway and given to Travancore-Cochin State as grant-in-aid	27,00
	Provision for schemes of resettlement of landless workers	26,37
	Grant to the Indian Council of Agricultural Research for manurial trials. The scheme envisages manurial, irrigational, cultural, etc. experiments at selected centres. The expenditure on the scheme will be borne by the Central Government except that of supervision and control which will be provided by State Governments.	6,69
	Expenditure in States on the establishment of new Agricultural Colleges and strengthening of the existing Colleges	10,00
	MULTILITH EQUIPMENT AND PHOTOGRAPHIC MATERIAL UNDER THE T. C. A. AID	
	For the dissemination of useful agricultural information amongst the rural population, multilith machines, and equipment and photographic material, etc. are proposed to be obtained under the T. C. A. aid for use in States and at the headquarters of the Indian Council of Agricultural Research	11,20
	SUGARCANE DEVELOPMENT EXTENSION SCHEMES IN STATES	
	The expenditure will be met from the Temporary Sugar Excise Fund	8,60
	Soil Fertility Programme at the Indian Agricultural Research Institute under the T. C. A. Aid	10,00

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF FOOD AND AGRICULTURE—*contd.*	
45.—Agriculture—*concld.*	FISHERIES RESEARCH SCHEMES	
	Equipment and Material will be obtained under the T. C. A. Aid and Colombo Plan for Fisheries Research Schemes at the Research Stations .	79,14
	Central Machanised Farms	33,13
	GRANTS TO STATE GOVERNMENTS FOR GOSADAN SCHEMES	
	The Scheme aims at the establishment of segregation camps in forest areas for maintaining old and unproductive cattle at a low cost and also to preserve and improve the cattle wealth of the country. So far 13 Gosadans have been establis hed in different States	10,00
	GRANTS TO STATES FOR KEY VILLAGE SCHEMES	
	The Scheme aims at establishing artificial insemination centres and Key Villages (intensive cattle improvement centres) where breeding, feeding, disease control and marketing arrangements are to be attended to. Provision has been made for 27 artificial insemination centres and 175 additional Key Villages during 1954-55. This also includes provision for calf-subsidy scheme. Fifty per cent of the expenditure incurred by Part A, B & C States having legislatures and the entire expenditure of the other Centrally Administered States will be met out of this provision	23,77
	Locust control, fumigation equipment and materials to be received under the Colombo Plan	8,14
	Lump sum provision for scheme of fumigation of agricultural commodities. Under this scheme it is proposed to fumigate agricultural seeds intended for export to foreign countries . .	5,79
	Locust Control and plant protection equipments and training of officers abroad under the T. C. A. Aid	7,00
	INDIAN INSTITUTE OF SUGAR TECHNOLOGY	
	The Government has taken over from 1-1-54 the control of this Institute which was previously run by the Indian Central Sugarcane Committee	8,34
	Project for Ground Water Exploration under the T. C. A. Aid	1,31,00
47.—Miscellaneous Expenditure under the Ministry of Food and Agriculture.	Annual contribution to the F. A. O. of the United Nations of which India is a member . . .	13,86

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF FOOD AND AGRICULTURE—*concld.*	
122.—Capital Outlay on Forests.	Development of Forest Research Institute and College, Dehra Dun	15,25
123.—Purchase of Food grains	Construction of godowns for storage of food grains	70,00
	DEVELOPMENT OF MARINE FISHERIES	
124.—Other Capital Outlay of the Ministry of Food and Agriculture.	Construction of office & residential accommodation for the Central Marine Fisheries Research Station, Mandapam camp and purchase of 2 research vessels, motor boats, jeeps, trucks, etc.	21,90
	CONSTRUCTION OF SUGARCANE RESEARCH INSTITUTE, BHADRUK	
	The expenditure will be met out of the Temporary Sugar Excise Fund	35,00
	LAND RECLAMATION SCHEME	
	The scheme envisages the reclamation of weed infested and jungle land in the country with the help of heavy tractors. The provision includes pay of staff, cost of spare parts for tractors and equipment, P. O. L., workshop stores, etc. The cost of the Scheme is recovered from the States concerned	1,54,02
	MINISTRY OF HEALTH	
49.—Medical Services.	MOBILE HEALTH UNITS FOR RURAL AREAS IN PART 'C' STATES	
	As a major part of the population in India lives in villages the only practical way of solving the rural health problems immediately is by providing an adequate number of Mobile Health Units. In order that the States may be stimulated to adopt the scheme, the Centre will extend financial help to the States by bearing all expenditure in connection with the purchase of vehicles and equipment for the Mobile Health Units. The scheme is restricted to the four Part 'C' States of Kutch, Manipur, Tripura and Bilaspur, as in the case of other Part 'C' States, the Central Government make grants to cover their budget deficits. The State Government will maintain the Mobile Health Units on a permanent basis.	5,00
	CONTRIBUTORY HEALTH SERVICE SCHEME	
	The scheme will be introduced during the early part of the year 1954-55. Certain preliminaries, such as, recruitment of the necessary staff, procurement of accommodation, medicines, etc. are being settled. A provision of Rs. 14,15,000 has been included in the budget estimates for the next year for this purpose. The scheme will apply to the Ministers, Deputy	

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF HEALTH— *Contd.*	
49.—Medical Services—*concld.*	Ministers of the Government of India, Parliamentary Secretaries, and all Central Government Civil Staff in Delhi. The Scheme will be administered by the Ministry of Health	14,15
	JAMNAGAR RESEARCH INSTITUTE	
	The Government of India have established a Central Institute for Research into Indigenous Systems of Medicine in association with the Gulab Kunwarba Ayurvedic Institute at Jamnagar. The Institute will be administered by a Governing Body. A provision of Rs. 5 lakhs—Rs. 4 lakhs for the Institute and Re. 1 lakh for starting a post-graduate course in Ayurveda—has been included as grant-in-aid in the next year's budget	5,00
	GRANT-IN-AID TO THE LADY HARDINGE MEDICAL COLLEGE AND HOSPITAL.	
	The management of the instituttion has now been transferred to the Board of Administration. Before its transfer, the Governing Body had appointed a Reorganisation Committee which made certain recommendations for improvement of the institution which the Government have accepted. The Government of India pay an annual grant-in-aid to the institution on 'cover the deficit' basis. A provision of Rs. 15 lakhs for the maintenance and improvement of the Institution has been made in the budget estimates for 1954-55	15,00
50.—Public Health . .	MATERNITY AND CHILD HEALTH DEPARTMENT, CALCUTTA	
	The Department of Maternal and Child Health established at the All-India Institute of Hygiene and Public Health, Calcutta, provides instructions in Maternal and Child Health subjects. The scheme is a joint co-operative effort between the Government of India and the UNICEF for the first five years during which period the UNICEF will make available staff, equipment, etc. to the extent of 9·3 lakhs U.S. dollars in exchange for training 250 students nominated by the UNICEF. The Government of India are to contribute an equal amount in Indian currency in respect of the Scheme. A provision of Rs. 9·62 lakhs has been included on the revenue side in the next budget	9,62

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF HEALTH—*contd.*	
50.—Public Health—*contd.*	INDIAN COUNCIL OF MEDICAL RESEARCH	
	The Indian Council of Medical Research is the agency through which the Government of India promotes medical research in the country. The Council depends entirely on the grants-in-aid paid by Government and has no other source of income. A provision of Rs. 6 lakhs for the development schemes of the Council and Rs. 3 lakhs to meet part of the expenditure on the shifting of the Nutrition Research Laboratory from Coonoor to Hyderabad has been included in the budget for the next year as a grant-in-aid in addition to the usual grant of Rs. 12 lakhs .	21,00
	CENTRAL LEPROSY TEACHING & RESEARCH INSTITUTE	
	The Government of India have decided to establish a Central Leprosy Teaching and Research Institute at Chingleput in Madras State in association with the Lady Willingdon Leprosy Sanatorium at Chingleput and the Silver Jubilee Children's Clinic at Saidpet. The scheme is included in the Five Year Plan and is estimated to cost Rs. 10 lakhs non-recurring and Rs. 3 lakhs recurring. The administrative control of the Institute will vest in the Governing Body. A provision of Rs. 5 lakhs has been included in the next year's budget . . .	5,00
	CONTROL OF LEPROSY	
	This is a new scheme included in the revised Five Year Plan. The Planning Commission have earmarked Rs. 16 lakhs for this scheme. A provision of Rs. 5 lakhs has been included in the next year's budget for the scheme	5,00
	FAMILY PLANNING	
	A total provision of Rs. 65 lakhs has been included in the Five Year Plan for this scheme. The Government of India have opened three pilot family planning centres to study the applicability of the 'Rhythmic safe period' method, and are carrying out certain amount of educative propaganda. Government have also appointed a Family Planning Research and Programmes Committee and have taken general decisions on the policy to be adopted. A provision of Rs. 30 lakhs has been included in the next year's budget, which includes *inter alia* subsidies to State Governments and voluntary organisations	30,00

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF HEALTH—*contd.*	
50.—Public Health—*concld.*	SCHEME FOR THE TRAINING OF HEALTH PERSONNEL FOR COMMUNITY DEVELOPMENT PROGRAMME	
	It is considered that the number of and the existing training facilities for certain categories of Health personnel such as Lady Health Visitors and midwives are very inadequate for the requirements of the Community Development Programmes. A scheme for the training of such personnel has, therefore, been drawn up and approved by the Planning Commission. According to the scheme, it is proposed that the Central Government should bear the entire non-recurring expenditure and the recurring expenditure for the initial period of six months, 66⅔% of the recurring expenditure for the next one year, 50% of the recurring expenditure for the next following year, and 331/3% of the recruring expenditure for the remaining months of 1956-57, while the States would contribute the balance of the recurring expenditure in each of the year mentioned. The total period of Central financial assistance will thus be three complete years. A provision of Rs. 10 lakhs on this account has been made in the next year's budget .	10,00
	NATIONAL MALARIA CONTROL PROGRAMME	
	To implement the recommendations of the Bhore Committee a programme of malaria control in India on a nation-wide basis has been drawn up so as to protect population of about 200 millions residing in malarious parts of India. The Project will be financed jointly by the Central Government and the State Governments. The T.C.A. will provide assistance by supplying (I) DDT during the operation period (2) essential new equipment to implement the Programme and (3) meeting half the cost of D.D.T. Plant. A provision of Rs. 31.90 lakhs on the 'revenue side' has been included in the next year's budget	31,30
	Department of Social and Preventive Medicines in certain Medical Colleges in the States . . .	5,25
	MATERNITY AND CHILD WELFARE SERVICES IN THE RURAL AREAS	
	A provision of Rs. 7 lakhs has been made in the budget estimates for the year 1954-55 for the implementation of a scheme included in the Five Year Plan for the establishment of Maternity and Child Welfare Centres in villages in the backward areas in Part 'C' States, etc.	7, 0
	EQUIPMENT FOR MEDICAL COLLEGES AND RESEARCH INSTITUTIONS	
	The replenishment of equipment and scientific apparatus of the Medical Colleges including the attached hospitals and Research Institutions has become necessary in the interest of efficient working of these institutions. The cost of equipment, etc. required by each institution is on an average estimated to be between Rs. 2 and 2½ lakhs. The total amount required for the purpose will be Rs. 50 lakhs which has been provided in the next budget	50,00

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF HEALTH—*concld.*	
	CONTRIBUTION TO UNICEF	
51—Miscellaneous Expenditure under the Ministry of Health.	The Government of India have paid Rs. 15 lakhs as a voluntary contribution to the UNICEF for the year 1953, and propose to pay an equal amount as contribution for the year 1954.	15,00
	CONTRIBUTION TO W.H.O.	
	All members of the W.H.O. finance its approved budget every year by contribution. India's contribution has been assessed at Rs. 13·02 lakhs for the next year	13,02
	NATIONAL MALARIA CONTROL PROGRAMME	
125—Capital Outlay of the Ministry of Health.	In addition to a provision of Rs. 31.9 lakhs for Revenue expenditure a sum of Rs. 289.94 lakhs has been provided for the scheme for capital expenditure . .	2,89,94
	NATIONAL FILARIA CONTROL SCHEME	
	It is proposed to set up a Demonstration Scheme for the control of the infection of Filariasis in 13 States. The Scheme will operate for two years *viz.* 1954-55 and 1955-56. The State Governments will be in charge of the operations subject to technical guidance from the Malaria Institute of India. The total expenditure of the Central Government during the Plan period on the supply of T.C.A. equipment and expansion of the Malaria Institute of India is expected to amount to Rs. 109·87 lakhs. The provision made for the next year is Rs. 83·78 lakhs. . .	83,78
	MINISTRY OF HOME AFFAIRS	
52—Ministry of Home Affairs.	Provision for expansion of the Intelligence Bureau .	15,00
8—Andaman & Nicobar Islands.	Provision for the purchase of a coastal sea-craft for inter-islands communication between the Andamans and Nicobar group of islands which comprise of more than 200 islands.	5,00
	CHARTER OF A SECOND SHIP FOR INDIA-ANDAMAN SERVICE	
	Since 1949 the Cargo movement has been beyond the capacity of one vessel (s. s. "Maharaja") and to cope with the increase in traffic a second ship s.s. "Bharatkhand" was being hired from year to year. But as this arrangement was not found satisfactory, the ship was re-delivered to the owners and it has been decided to charter another ship in her place. The provision is made for this second ship. . .	10,00
	PURCHASE OF TWO SEA-GOING VESSELS	
	The Andamans Administration have no sea-going vessel which can be utilized by the Police for guarding the sea-coasts. To enable the Police to take effective measures for checking smugglers and poachers, it has been decided to provide the Administration with two sea-going vessels.	13,29

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF HOME AFFAIRS—*concld.*	
	COLONISATION SCHEME	
21.—Loans and Advances by the Central Government.	A five-year scheme for development and colonisation of Andaman and Nicobar Islands, as part of the Five Year Plan, has been sanctioned. The scheme envisages clearing of 20,000 acres of forest land in the Andamans so as to make it available for cultivation to about 4,000 agriculturist families (20,000 persons) from India during the next five years or so. Each settler family is given a recoverable advance of Rs. 2,000. The provision of Rs. 12,00,000 is intended to arrange settlement of 400 families in the Middle Andamans and 200 families in the North Andamans during 1954-55. The balance of Rs. 20,000 is intended to be utilised for giving loans to Co-operative Banks (Rs. 10,000) and Co-operative Societies Rs. (10,000)	12,20
	MINISTRY OF INFORMATION AND BROADCASTING	
59—Ministry of Information and Broadcasting.	Production of news-reels and documentary films by the Films Division.	21,00
	Production of documentary, instructional and educational films under the 'Integrated Publicity Programme' for the Five Year Plan. . .	12,00
	Regional and field publicity units including mobile vans for the 'Integrated Publicity Programme' for the Five Year Plan.	7,00
	Display Publicity through posters, folders, press advertisements, cinema slides, hoardings, blotters, calendars etc. on behalf of various Ministries of the Government of India (excluding Railways) and their attached and subordinate offices as also publicity for the Five Year Plan for which a provision of Rs. 4 lakhs has been included in the next year's budget. . .	19,00
60—Broadcasting.	Provision for development of Broadcasting under the Five Year Plan	8,00
127.—Capital Outlay on Broadcasting.	Provision for installation of new transmitters at various stations	57,24
	MINISTRY OF IRRIGATION AND POWER	
	PRELIMINARY EXPENSES ON KOSI PROJECT	
63—Multipurpose River Scheme.	The original project envisaged the construction of 783 ft. high dam across the Kosi River to generate 1.9 million K.W. of hydro-electric power as well as a barrage and system of canals for irrigating 38.4 lakh acres. Later investigations, however, showed that the cost of the dam would be much more than originally estimated. The whole question was re-examined by the Central Water and Power Commission and a comprehensive scheme was prepared in November, 1953, which has been	

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF IRRIGATION & POWER—*concld.*	
63.—Multipurpose River Scheme—*concld.*	approved by the Advisory Committee. The provision of Rs. 7 lakhs made in the budget for the next year is meant for further investigations about the proposed barrage at Hanuman Nagar, collection of basic hydrological data and completion of the survey of the commanded area by the Survey of India as indicated in the scheme	7,00
	KRISHNA GODAVARI BASINS	
	The Planning Commission has decided that detailed investigations regarding selection of dam sites in Krishna-Godavari Basin should be carried out on the lines of Khosla Committee's Report. The provision made in the budget for 1954-55 provides for detailed investigations regarding dam sites on Godavari, Indravati, Sabiri and Krishna rivers .	6,00
	COLLECTION OF HYDROLOGICAL DATA ON ALL-INDIA BASIS FOR RIVER BASINS	
	The Planning Commission have decided that the C.W. & P.C. should collect hydrological data on all-India basis of two major basins of India in the first instance. These basins are (1) Krishna-Godavari-Pennar, and (2) Ganga basins. The provision of Rs. 5 lakhs for 1954-55 accounts for this work	5,00
121.—Loans and Advances by the Central Government.	Loans to State Governments for Irrigation Projects	
	Harike Project	75,00
	Bakhra-Nangal Project	23,30,00
	Hirakud Dam Project	14,50,00
	Damodar Valley Project	12,67,46
	Lump provision for new projects included in the Plan	15,00,00
	LOAN TO DELHI STATE ELECTRICITY BOARD	
	The programme of works of the Board for the next financial year is estimated to cost Rs. 1,33 lakhs out of which the Board expects to meet from its own resources about Rs. 73 lakhs leaving a balance of Rs. 60 lakhs to be covered by loan from the Government. In addition to this a sum of Rs. 20 lakhs will be required by the Board to maintain a minimum cash balance for day to day expenditure. A provision of Rs. 80 lakhs has, therefore, been made in the next year	80,00
	Loan to Ajmer State for Amalgamated Electricity Co. (Belgaon)	5,00
	MATERIAL AND EQUIPMENT UNDER T.C.A.	
129.—Other Capital Outlay of the Ministry of Irrigation and Power.	The equipment imported under the T.C.A. Programme will be allotted to the various River Valley Projects, The cost will be recovered from the Project Authorities and credited to the Development Fund . .	2,01,30

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF LABOUR	
	EMPLOYEES STATES INSURANCE CORPORATION	
67.—Miscellaneous Departments and expenditure under the Ministry of Labour.	Contribution by Central Government to the Corporation equivalent to 2/3rds of its administrative expenditure under Section 27 of the Employees State Insurance Act.	18,67
	INTERNATIONAL LABOUR ORGANISATION	
	India's share of contribution to the International Labour Organisation as a Member Country.	11,50
	MINISTRY OF LAW	
	ELECTION CHARGES	
70.—Ministry of Law.	Provision of Rs. 1,18,22,000 has been made for (*i*) payments to State Governments towards Central Government's share of the extra expenditure incurred in connection with the preparation and printing of electoral rolls and conduct of election and bye-elections to Parliament and (*ii*) Election Tribunals.	1,18,22
	MINISTRY OF NATURAL RESOURCES AND SCIENTIFIC RESEARCH	
73—Survey of India	Provision for additional staff and incidental expenditure in connection with the Expansion Programme of the Survey of India	5,31
74—Botanical Survey of India.	Re-organisation and expansion of the Botanical Survey of India.	5,95
76—Geological Survey of India.	Provision for expansion of the Geological Survey of India under the Five Year Plan.	15,00
	Provision for staff and equipment required by the Geological Survey of India in connection with the Exploratory Tube-well Project	8,90
77—Mines	Provision for re-organisation of Mining and Drilling Divisions transferred from the Geological Survey of India and for expansion of the Bureau as provided in the Five Year Plan	10,15
78—Scientific Research	Grants-in-aid to the Council of Scientific and Industrial Research, Research Institutions and Laboratories	2,02,00
	Grants-in-aid and Donations to Scientific Societies and Institutes. The Government of India have been	

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF NATURAL RESOURCES AND SCIENTIFIC RESEARCH—*concld.*	
78.—Scientific Research—*concld.*	giving grants-in-aid to certain Research Institutes which play an important part in the scientific advancement of the country both by carrying out research and by training the young scientists on the various specialised researches going on in the institutes. To enable them to meet their recurring as well as non-recurring expenditure, a provision of Rs. 26·21 lakhs has been made in the next budget. Among the institutes which have been in receipt of such grants may be mentioned the following :— (1) The Indian Association for the Cultivation of Science, Calcutta. (2) Bose Institute, Calcutta. (3) Tata Institute of Fundamental Research, Bombay. (4) The National Institute of Sciences, New Delhi. (5) The Indian Academy of Sciences, Bangalore (6) The Birbal Sahni Institute of Palaeobotany, Lucknow. (7) Institute of Nuclear Physics, Calcutta. (8) The Physical Research Institute, Ahmedabad.	26,21
131.—Capital Outlay of the Ministry of Natural Resources and Scientific Research.	Provision for Photogrammetric equipment for the Survey of India through Indo-U.S. Technical Co-operation Programme	31,13
	GRANTS TO THE COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH	
	The following development projects of the Council of Scientific and Industrial Research have been included in the Five Year Plan. :— (i Eleven National Laboratories and five Coal Survey Stations of the C.S.I.R. already under execution. (ii) Three Research Institutions, plans for which are being drawn up.	
	A sum of Rs. 40 lakhs will be used for (a) construction of buildings and purchase of equipments and (b) setting up of new institutions mentioned at (ii) above. A sum of Rs. 15 lakhs will be used for setting up of Pilot Plants in Laboratories	55,00
	NATIONAL RESEARCH DEVELOPMENT CORPORATION	
	The Corporation was registered on 31-12-53 as a private Ltd. Company with the object of developing and exploiting inventions, patents, etc. The Corporation has an authorised capital of Rs. 1 crore divided into 10,000 shares of Rs. 1,000 each and Govt. have agreed to provide Rs. 10 lakhs by way of subscribed capital Rs. 5 lakhs during 1953-54 and Rs. 5 lakhs during next year.	5,00
121.—Loans and Advances by the Central Government.	Loans to National Research Development Corporation	8,22

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF PRODUCTION	
	SUBSIDY TO SHIP BUILDING INDUSTRY	
83.—Other Organisations of the Ministry of Production.	Provision to bear, within certain limits, the difference between the building cost of ships at Vizag. Yard and U.K. Yards as subsidy to enable the Hindustan Shipyard Ltd. to sell their ships at the U.K. Parity Prices.	80,00
	CAPITAL OUTLAY ON SALT WORKS	
132.—Capital Outlay of the Ministry of Production.	Provision for the development plans for the Govt. Salt Works (at Sambhar Lake, Didwana, Panchbadra etc.) and for certain works connected with private salt factories and also for rock salt mines at Mandi.	9,00
	NATIONAL INSTRUMENTS FACTORY	
	The Scheme for the re-organisation of the National Instruments Factory, Calcutta, includes the acquisition of land and construction of new buildings for the Factory, purchase of new machinery and establishment of manufacture of optical glass and linen measuring tapes.	32,00
	ESTABLISHMENT OF A PENICILLIN FACTORY	
	Includes provision for the construction of non-residential buildings and residential buildings for the factory, purchase of plant and equipment	56,00
	PENICILLIN SCHEME (BOTTLING PLANT)	
	The scheme is designed to bottle penicillin imported in bulk from abroad and to sell the same in the market pending installation of the Penicillin Factory. Recoveries during the year are estimated at Rs. 10·5 lakhs.	6,08
	D. D. T. FACTORY	
	According to an agreement, the UNICEF will supply all imported equipment costing $250,000 and the W.H.O. will arrange technical assistance involving an expenditure of $ 100,000. The Government of India will provide lands, buildings, water, etc. costing Rs. 22.45 lakhs. The equipment from UNICEF has already arrived. The provision has been made to meet the cost of land, buildings, etc. The Factory is expected to go into production by the middle of 1954.	13,00
	HEAVY ELECTRICAL EQUIPMENT FACTORY	
	Government of India have revived the proposal, which was held in abeyance since 1950, for establishing this factory. This will help in the development of multi-purpose river valley projects, electrification of railways for increasing line capacity, etc. The provision is required to make a beginning in the establishment of this factory, which is estimated to cost about Rs. 32 crores	50.00
	PURCHASE OF SHARES IN THE HINDUSTAN STEEL LTD.	
	Includes provision for share capital of the Hindustan Steel Ltd., to meet expenditure on the acquisition of	

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF PRODUCTION—*concld.*	
132.—Capital Outlay of the Ministry of Production —*concld.*	lands, construction of buildings, purchase of plant and machinery and other misc. expenses in connection with the establishment of a new steel plant.	10,00,00
	ESTABLISHMENT OF A SYNTHETIC OIL PLANT	
	To provide for expenditure on the preparation of fresh 'Project Reports' to take stock of the latest developments before the implementation of this project is undertaken.	10,00
	PURCHASE OF SHARES IN THE HINDUSTAN SHIPYARD LIMITED	
	As a result of the final valuation of the Shipyard by an impartial Valuation Committee appointed by the Government of India, Scindias will have to be paid an additional sum of Rs. 1,90,000 in five annual instalments of Rs. 38,000 each over and above the usual annual instalment of Rs. 33,40,000 as share capital payable under Promoter's Agreement .	33,78
	PURCHASE OF SHARES OF HINDUSTAN CABLE LTD.	
	Includes provision for share capital to meet the expenditure on the Telephone Cables Factory which has since started production operations . .	40,00
	PURCHASE OF SHARES OF HINDUSTAN MACHINE TOOLS LTD.	
	Includes provision for share capital to meet the expenditure on the Machine Tool Factory . .	2,00,00
	MINISTRY OF STATES	
90—Kutch . . .	Construction of 7 minor irrigation tanks in Kutch .	7,00
91—Bilaspur . . .	Expenditure on the Community Development Project Block located in Bilaspur	16,23
92—Manipur . .	Provision for Welfare of Scheduled Tribes in Manipur	10,00
	Expenditure on the Community Development Project Block in Manipur	11,90
93—Tripura . . .	Educational Development Schemes in Tripura under the Five Year Plan	9,66
	Medical Development Schemes in Tripura under the Five Year Plan	5,96
	AIR-LIFTING OF ESSENTIAL SUPPLIES FROM CALCUTTA TO TRIPURA	
	This is being arranged due to transport difficulties through East Pakistan. The situation will be eased on completion of the road link between Assam and Agartala	6,00
	Welfare of Scheduled Tribes in Tripura . . .	5,00
	Expenditure on the Community Development Project Block located in Tripura	7,50
	CONSTRUCTION OF 4 MAJOR IRRIGATION TANKS IN KUTCH	
134.—Capital Outlay of the Ministry of States.	This is a work which is in progress for the last 4 years and is under completion . It is included in the Five Year Development Plan	20,00
	Irrigation Development Schemes in Himachal Pradesh under the Five Year Plan	5,00
	Investment in share capital of Co-operative Appex Bank in Bhopal	5,00
	Development of Bhopal Electric Supply undertaking .	12,47

(In thousands of Rupees)

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF STATES—*concld.*	
134.—Capital Outlay of the Ministry of States—*concld.*	Electrification of important towns in Vindhya Pradesh	25,00
	Electrification of Nakhatrana Area in Kutch . .	9,79
	Schemes for improvements in the existing Electric Supply System in Imphal and neighbouring areas in Manipur	5,00
	Electricity Development Schemes in Himachal Pradesh	9,38
	Electric Supply Schemes for Kandla Port in Kutch and adjoining areas	10,00
	Purchase of new buses for Himachal Pradesh Transport Service	8,00
	Development grants to Part B States . . .	4,00,00
	MINISTRY OF TRANSPORT	
98—Light-houses and Lightships.	Provision relates to works of improvement, development and construction of new Light-houses and Lightships in the Light-house Department . .	48,99
100—Communications (including National Highways).	Original works on Roads other than National Highways in the various Part 'C' States [except Ajmer, Bhopal, Coorg, Delhi (rural Roads), Himachal Pradesh and Vindhya Pradesh], Sikkim and Andaman and Nicobar Islands.	24,85
	Maintenance of roads classed as National Highways in the various Part 'A', 'B' and 'C' States and Sikkim	4,15,00
	Maintenance and repairs of Roads other than National Highways in the various Part 'C' States [except Ajmer, Bhopal, Coorg, Delhi (Rural Roads) Himachal Pradesh and Vindhya Pradesh] Sikkim and Andaman and Nicobar Islands, including the Pathankot-Jammu Road. A sum of Rs. 4·10 lakhs representing a portion of the expenditure on the Pathankot-Jammu Road is recoverable from the Government of Jammu and Kashmir	40,00
	Purchase of Tools and Plant for construction and development of Roads	6,00
135.—Capital Outlay on Ports.	Capital Outlay on Kandla Port and the development of the township of Gandhi-dham . .	4,80,02
136.—Capital Outlay on Roads.	Construction and improvement of National Highways in the various Part 'A', 'B' and 'C' States and Sikkim	6,50,00
	Construction and Development of Roads other than National Highways in the various Part C and DStates, Sikkim and other important roads. A sum of Rs. 19·44 lakhs representing the portion of expenditure on the construction and improvement of roads in Bilaspur State necessitated by the construction of the Bakhra Dam is recoverable from the Bakhra-Nangal Project authorities	4,02,00
	CONSTRUCTION OF PATHANKOT-JAMMU ROAD	
	Construction of this road has been completed. Some further improvement and widening works to meet the needs of heavy traffic on the portion of the road lying in Jammu and Kashmir State is necessary. The entire estimated expenditure during 1954-55 is recoverable from the Jammu and Kashmir Government	18,80

(In thousands of Rupees

No. and Name of Demand	Particulars	Budget, 1954-55
	MINISTRY OF TRANSPORT—*concld.*	
136.—Capital Outlay on Roads—*concld.*	Construction of State Roads of economic or inter-State importance. This scheme, for which the Planning Commission have separately agreed to Rs. 10 crores during 1954-55 and 1955-56, is intended for the development of the following categories of roads which were not already included in the Plan : (*i*) Inter-State roads necessary for ensuring through communications; (*ii*) Roads required for opening up new areas to which Railway facilities cannot be provided in the near future; and (*iii*) Roads which can contribute materially to rapid economic development of the country.	3,00,00
	MINISTRY OF WORKS, HOUSING AND SUPPLY	
	GRANT FOR INDUSTRIAL HOUSING SCHEME	
140.—Other Capital Outlay of the Ministry of Works, Housing and Supply.	The Government of India have formulated a 'Subsidised Industrial Housing Scheme' under which subsidies on the cost of construction of houses built according to the pattern set by the Govt. of India for Industrial labour by State Govts. Statutory Housing Boards Private Employers and registered Co-operative Societies of industrial workers, are paid by Govt. at varying rate .	6,00,00

ANNEXURE VIII

The statement below gives a broad analysis of the receipts and disbursements of the Central Government in 1954-55 showing separately the transactions in India and outside the country. The net disbursement abroad of Rs. 74·98 crores does not include expenditure financed by remittances from the country through banking channels, the amount of which is, however, very small.

(In lakhs of Rs.)

RECEIPTS	India	Abroad	Total
Revenue	4,50,82	91	4,51,73
Capital Receipts	..	..	..
Loans raised	75,00	3,28	78,28
Floating Debt (net)	2,50,00	..	2,50,00
Small savings (net)	45,23	..	45,23
Repayment of loans to Central Government	23,64	..	23,64
Other debt and deposit transactions (net)	8,22	27,58	35,80
TOTAL	8,52,91	31,77	8,84,68
Opening Balance	47,11	3,74	50,85
GRAND TOTAL	9,00,02	35,51	9,35,53
DISBURSEMENTS			
Expenditure met from Revenue	4,38,32	28,77	4,67,09
Capital outlay	71,03	74,72	1,45,75
Loans repaid	49,76	3,26	53,02
Loans by the Central Government	2,07,85	..	2,07,85
Other debt and deposit transactions (net)	..	..	..
TOTAL	7,66,96	1,06,75	8,73,71
Closing balance	58,08	3,74	61,82
GRAND TOTAL	8,25,04	1,10,49	9,35,53
NET	+85,95	—74,98	+10,97

Taking the budget as a whole, and allowing for an expansion of about Rs. 250 crores of floating debt, transactions in India are estimated to give a surplus of Rs. 85·95 crores and transactions abroad a deficit of Rs. 74·98 crores. The net result is a surplus of Rs. 10·97 crores reflected in the closing balance of Rs. 61·82 crores at the end of the year.

ANNEXURE IX

Statement showing the distribution by Demands for Grants of the expenditure shown by heads of account in the Budget of the Central Government for 1954-55.

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
I. *Expenditure met from Revenue* *Direct Demands on the Revenue—*				
1. Customs	27. Customs	3,61,03	—16	3,60,87
2. Union Excise Duties	28. Union Excise Duties	22,14,45	—2,04,58	20,09,87
3. Corporation Tax	29. Taxes on Income including Corporation Tax	85,77	..	85,77
4. Taxes on Income other than Corporation Tax	29. Taxes on Income including Corporation Tax	2,87,06	..	2,87,06
	93. Tripura	4	..	4
TOTAL—TAXES, ETC.		2,87,10	..	2,87,10
6. Opium	30. Opium	1,95,07	..	1,95,07
7. Land Revenue	24. Chandernagore	7	..	7
	54. Delhi	18	..	18
	58. Andaman and Nicobar Islands	28	..	28
	90. Kutch	12,02	..	12,02
	91. Bilaspur	98	—45	53
	92. Manipur	1,34	..	1,34
	93. Tripura	4,61	..	4,61
TOTAL—LAND REVENUE		19,48	—45	19,03
8. State Excise Duties	90. Kutch	47	..	47
	91. Bilaspur	8	..	8
	92. Manipur	21	..	21
	93. Tripura	52	..	52
TOTAL—STATE EXCISE DUTIES		1,28	..	1,28
9. Stamps	31. Stamps	1,33,70	—4,53	1,29,17
	58. Andaman and Nicobar Islands	1	..	1
	90. Kutch	12	..	12
	91. Bilaspur	2	..	2
	92. Manipur	8	..	8
	93. Tripura	20	..	20
TOTAL—STAMPS		1,34,13	—4,53	1,29,60
10. Forest	44. Forest	43,28	—1,85	41,43
	58. Andaman and Nicobar Islands	84,64	—9,90	74,74
	90. Kutch	1,67	..	1,67
	91. Bilaspur	2,27	..	2,27
	92. Manipur	1,86	..	1,86
	93. Tripura	7,05	..	7,05
TOTAL—FOREST		1,40,77	—11,75	1,29,02

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.*, amount of Demand)	Amount: Recoveries taken in reduction of expenditure in the Budget	Amount: Net expenditure shown in the Budget
11. Registration	90. Kutch	10	..	10
	91. Bilaspur	2	..	2
	92. Manipur	12	..	12
	93. Tripura	46	..	46
	TOTAL—REGISTRATION	70	..	70
12. Charges on Account of Motor Vehicles Act.	93. Tripura	3	..	3
13. Other Taxes & Duties	58. Andaman and Nicobar Islands	2	..	2
	90. Kutch	41	..	41
	92. Manipur	31	..	31
	93. Tripura	1	..	1
TOTAL—OTHER TAXES ETC.		75	..	75
TOTAL—DIRECT DEMANDS ON REVENUE		34,40,56	—2,21,47	32,19,09
Irrigation Works—				
18. Other Revenue Expenditure.	62. Irrigation	30	..	30
	90. Kutch (*a*)	2,24	..	2,24
	91. Bilaspur	20	..	20
	92. Manipur	2,14	..	2,14
TOTAL—OTHER REVENUE EXPENDITURE		4,88	..	4,88
19. Construction of Irrigation Works financed from ordinary revenues	90. Kutch	9,15	..	9,15
	91. Bilaspur	80	..	80
	93. Tripura	1,08	..	1,08
TOTAL—CONSTRUCTION OF IRRIGATION WORKS ETC.		11,03	..	11,03
	TOTAL—IRRIGATION WORKS	15,91	..	15,91
20. Posts and Telegraphs Interest on Debt.	6. Indian Posts & Telegraphs Department (*b*)	1,97,72	—51	1,97,21
22. Interest on Debt and other obligations.	Interest on Debt and other obligations.	83,72,77	—48,72,77	35,00,00
23. Appropriation for reduction or Avoidance of Debt.	Ditto	5,00,00	..	5,00,00
Civil Administration—				
25. General Administration.	1. Ministry of Commerce and Industry	72,21	..	72,21
	5. Ministry of Communications	11,38	—2,85	8,53
	11. Ministry of Defence	27,39	..	27,39
	17. Ministry of Education	40,98	..	40,98
	23. Ministry of External Affairs	86,61	..	86,61
	24. Chandernagore	4,05	..	4,05
	26. Ministry of Finance	1,56,21	—2,06	1,54,15
	32. Payments to other Governments, Departments, etc.	11,13	..	11,13
	43. Ministry of Food & Agriculture	48,23	..	48,23
	48. Ministry of Health	6,96	..	6,96
	52. Ministry of Home Affairs	1,56,39	—2,73	1,53,66

(*a*) See also head XVII on page 151.
(*b*) See also head XIX on page 151.

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.* amount of Demand)	Amount: Recoveries taken in reduction of expenditure in the Budget	Amount: Net expenditure shown in the Budget
25. General Administration —*concld.*				
	53. Cabinet	25,94	..	25,94
	54. Delhi	5,71	..	5,71
	58. Andaman & Nicobar Islands	6,91	..	6,91
	59. Ministry of Information and Broadcasting	1,38,92	—2,50	1,36,42
	61. Ministry of Irrigation and Power	10,58	..	10,58
	65. Ministry of Labour	31,63	..	31,63
	70. Ministry of Law	1,35,04	—45	1,34,59
	72. Ministry of Natural Resources and Scientific Research	7,98	..	7,98
	80. Department of Parliamentary Affairs	1,34	..	1,34
	81. Ministry of Production	8,41	..	8,41
	85. Ministry of Rehabilitation	20,10	..	20,10
	88. Ministry of States	11,72	..	11,72
	90. Kutch	6,18	..	6,18
	91. Bilaspur	2,24	..	2,24
	92. Manipur	5,67	..	5,67
	93. Tripura	11,35	..	11,35
	94. Relations with States	4,28	..	4,28
	96. Ministry of Transport	40,05	—4,75	35,30
	102. Ministry of Works, Housing and Supply	17,42	..	17,42
	107. Parliament	1,03,43	..	1,03,43
	109. Secretariat of the Vice-President	83	..	83
	Staff, Household and Allowances of the President	16,22	..	16,22
	Union Public Service Commission	22,22	..	22,22
	TOTAL—GENERAL ADMINISTRATION	12,55,71	—15,34	12,40,37
26. Audit	33. Audit	7,85,74	—2,42,14	5,43,60
27. Administration of Justice	24. Chandernagore	39	..	39
	71. Administration of Justice	13,02	—3	12,99
	90. Kutch	4,32	..	4,32
	91. Bilaspur	86	..	86
	92. Manipur	1,13	..	1,13
	93. Tripura	1,75	..	1,75
	TOTAL—ADMINISTRATION OF JUSTICE	21,47	—3	21,44

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure in the Budget
28. Jails and Convict Settlements.	24. Chandernagore	26	..	26
	58. Andaman and Nicobar Islands	42	..	42
	90. Kutch	1,09	..	1,09
	91. Bilaspur	20	..	20
	92. Manipur	1,26	..	1,26
	93. Tripura	1,58	..	1,58
	TOTAL—JAILS AND CONVICT SETTLEMENTS	4,81	..	4,81
29. Police	24. Chandernagore	1,49	..	1,49
	54. Delhi	1,51,86	—37	1,51,49
	55. Police	1,03,24	—2,95	1,00,29
	58. Andaman & Nicobar Islands	24,39	..	24,39
	90. Kutch	21,19	—42	20,77
	91. Bilaspur	2,31	..	2,31
	92. Manipur	8,63	..	8,63
	93. Tripura	25,28	..	25,28
	94. Relations with States	53,90	—3,74	50,19
	TOTAL—POLICE	3,92,29	—7,48	3,84,81
30. Ports & Pilotage	58. Andaman & Nicobar Islands	53,51	—13,05	40,4
	97. Ports and Pilotage	62,39	—78	61,61
	TOTAL—PORTS AND PILOTAGE	1,15,90	—13,83	1,02,07
31. Lighthouses and Lightships.	98. Lighthouses and Lightships	79,89	—50,38	29,51
34. Tribal Areas	22. Tribal Areas	4,36,95	..	4,36,95
35. External Affairs	23. External Affairs	4,99,14	—21,62	4,77,52
36. Scientific Departments	7. Meteorology	1,14,56	—2,90	1,11,66
	18. Archaeology	48,79	..	48,79
	19. Other Scientific Departments	2,18,76	—8	2,18,68
	24. Chandernagore	2	..	2
	66. Chief Inspector of Mines	9,52	..	9,52
	73. Survey of India	1,43,79	—61,63	82,16
	74. Botanical Survey	6,93	..	6,93
	75. Zoological Survey	4,49	..	4,49
	76. Geological Survey	56,57	—21	56,36
	77. Mines	26,01	..	26,01
	78. Scientific Research	3,21,91	—5	3,21,86
	90. Kutch	2	..	2
	TOTAL—SCIENTIFIC DEPARTMENTS	9,51,37	—64,87	8,86,50

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditre shown in the Budget
37. Education	20. Education	12,14,51	..	12,14,51
	24. Chandernagore	7,31	..	7,31
	58. Andaman & Nicobar Islands	2,55	..	2,55
	90. Kutch	13,04	—25	12,79
	91. Bilaspur	5,22	..	5,22
	92. Manipur	14,54	..	14,54
	93. Tripura	23,96	..	23,96
	TOTAL—EDUCATION	12,81,13	—25	12,80,88
38. Medical	24. Chandernagore	2,45	..	2,45
	49. Medical Services	1,51,12	—27,03	1,24,09
	58. Andaman & Nicobar Islands	7,96	..	7,96
	90. Kutch	12,46	—25	12,21
	91. Bilaspur	1,84	..	1,84
	92. Manipur	5,44	..	5,44
	93. Tripura	10,20	..	10,20
	TOTAL—MEDICAL	1,91,47	—27,28	1,64,19
39. Public Health	24. Chandernagore	5	..	5
	50. Public Health	6,34,01	—4,23,18	2,10,83
	58. Andaman & Nicobar Islands	1,58	..	1,58
	90. Kutch	3,61	—1,13	2,48
	91. Bilaspur	1,96	—57	1,39
	92. Manipur	2,92	—1,13	1,79
	93. Tripura	4,68	—1,13	3,55
	TOTAL—PUBLIC HEALTH	6,48,81	—4,27,14	2,21,67
40. Agriculture	45. Agriculture	8,96,94	—4,12,19	4,84,75
	58. Andaman & Nicobar Islands	1,28	—12	1,16
	90. Kutch	4,87	..	4,87
	91. Bilaspur	1,37	..	1,37
	92. Manipur	93	..	93
	93. Tripura	4,81	..	4,81
	TOTAL—AGRICULTURE	9,10,20	—4,12,31	4,97,89
40. A. Rural Development.	90. Kutch	55	..	55
41. Veterinary	46. Civil Veterinary Services	39,03	—7,43	31,60
	58. Andaman & Nicobar Islands	88	..	88
	90. Kutch	1,74	..	1,74
	91. Bilaspur	40	..	40
	92. Manipur	1,04	..	1,04
	93. Tripura	88	..	88
	TOTAL—VETERINARY	43,97	—7,43	36,54

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
42. Co-operation	58. Andaman & Nicobar Islands	1	..	1
	90. Kutch	65	..	65
	91. Bilaspur	9	..	9
	92. Manipur	48	..	48
	93. Tripura	19	..	19
	TOTAL—CO-OPERATION	1,42	..	1,42
43. Industry and Supply	2. Industries	14,31,05	—5,02,37	9,28,68
	8. Overseas Communication Service	98,56	..	98,56
	58. Andaman & Nicobar Islands	4	..	4
	82. Salt	1,38,17	—3,00	1,35,17
	83. Other Organisations of the Ministry of Production	1,29,90	—20,00	1,09,90
	90. Kutch	1,17	..	1,17
	92. Manipur	50	..	50
	93. Tripura	2,57	..	2,57
	103. Supplies	2,97,03	—1,86,71	1,10,32
	TOTAL—INDUSTRY & SUPPLY	20,98,99	—7,12,08	13,86,91
44. Aviation	9. Aviation	2,53,14	—2,62	2,50,52
45. Broadcasting	59. Broadcasting	2,32,17	—8,00	2,24,17
47. Miscellaneous Departments.	3. Commercial Intelligence and Statistics	51,14	..	51,14
	4. Miscellaneous Departments & expenditure under the Ministry of Commerce and Industry.	12,88	..	12,88
	21. Miscellaneous Departments and expenditure under the Ministry of Education	6,24	—16	6,08
	38. Miscellaneous Departments and expenditure under the Ministry of Finance	31,85	—3	31,82
	47. Miscellaneous Departments and expenditure under the Ministry of Food and Agriculture	10,01	—2,19	7,82
	56. Census	20,58	..	20,58
	57. Miscellaneous Departments and expenditure under the Ministry of Home Affairs	5,73	—12	5,61
	64. Miscellaneous Departments and expenditure under the Ministry of Irrigation and Power	34,60	—13,72	20,88

(In thosands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (i. e., amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
47. Miscellaneous Departments—contd.	67. Miscellaneous Departments and expenditure under the Ministry of Labour	2,90,14	—1,57,69	1,32,45
	84. Miscellaneous Departments and expenditure under the Ministry of Production	2,02,81	—89,26	1,13,55
	90. Kutch	8	..	8
	91. Bilaspur	10	..	10
	93. Tripura	2,20	..	2,20
	106. Miscellaneous Departments and expenditure under the Ministry of Works, Housing and Supply	10,38	—4	10,34
	TOTAL—MISCELLANEOUS DEPARTMENTS	6,78,74	—2,63,21	4,15,53
	TOTAL—CIVIL ADMINISTRATION	1,08,83,86	—22,76,01	86,07,85
48. Currency	34. Currency	1,77,04	—6,53	1,70,51
49. Mint	35. Mint	92,75	..	92,75
50. Civil Works	24. Chandernagore	1,44	..	1,44
	99. Central Road Fund	4,62,52	—22,52	4,40,00
	100. Communications (including National High-Ways)	4,88,85	—4,10	4,84,75
	104. Other Civil Works	15,48,98	—9,61,84	5,87,14
	TOTAL—50.—CIVIL WORKS	25,01,79	—9,88,46	15,13,33
51B. Other revenue expenditure connected with Multipurpose River Schemes	63. Multipurpose River Schemes	41,71	—1,35	40,36
54. Famine	90. Kutch (a)	5	..	5
54A. Territorial and Political Pensions	36. Territorial and Political Pensions	21,16	..	21,16
54B. Privy Purses and Allowances of Indian Rulers	89. Privy Purses and Allowances of Indian Rulers	5,43,37	—61,04	4,82,34
55. Superannuation allowances and Pensions	24A. Chandernagore	18	..	18
	37. Superannuation allowances and Penions	3,45,82	—3,87	3,41,95
	TOTAL—SUPERANNUATION, ETC.	3,46,00	—3,87	3,42,13

(a) See also head XLI on page 151.

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.* amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
56. Stationery and Printing.	58. Andaman & Nicobar Islands	39	..	39
	105 Stationery and Printing	5,27,27	—3,21,54	2,05,73
TOTAL—STATIONERY AND PRINTING		5,27,66	—3,21,54	2,06,12
57. Miscellaneous	4. Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry	30,92	..	30,92
	1. Miscellaneous Expenditure under the Ministry of Communications	25,34	..	25,34
	16. Miscellaneous Expenditure under the Ministry of Defence	5,64	..	5,64
	21. Miscellaneous Departments and Expenditure under the Ministry of Education	26,67	..	26,67
	24. Chandernagore	4,29	..	4,29
	25. Miscellaneous Expenditure under the Ministry of External Affairs	2,74	..	2,74
	38 Miscellaneous Departments and Expenditure under the Ministry of Finance	3,17,94	—28,52	2,89,42
	47. Miscellaneous Departments and Expenditure under the Ministry of Food and Agriculture	69,12	..	69,12
	51. Miscellaneous Expenditure under the Ministry of Health	77,37	..	77,37
	57. Miscellaneous Departments and Expenditure under the Ministry of Home Affairs	3,77	..	3,77
	58. Andaman & Nicobar Islands	12,08	—2,65	9,43
	64. Miscellaneous Departments and Expenditure under the Ministry of Irrigation and Power	4	..	4
	67. Miscellaneous Departments and Expenditure under the Ministry of Labour	34,81	—3,62	31,19
	68. Employment Exchanges	1,29,25	—34,57	94,68
	79. Miscellaneous Departments and Expenditure under the Ministry of Natural Resources and Scientific Research	15	..	15

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.* amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
57. Miscellaneous—*contd.*	84. Miscellaneous Departments and Expenditure under the Ministry of Production	18	..	18
	86. Expenditure on Displaced Persons	10,23,51	—16	10,23,35
	87. Miscellaneous Expenditure under the Ministry of Rehabilitation. . . .	30	.	30
	90. Kutch	9,82	..	9,82
	91. Bilaspur	61	..	61
	92. Manipur (*a*) . . .	13,12	..	13,12
	93. Tripura	19,02	..	19,02
	94. Relations with States . .	2	..	2
	95. Miscellaneous Expenditure under the Ministry of States	1,03,48	—1,02,21	1,27
	101. Miscellaneous Expenditure under the Ministry of Trns-port	6,57	..	6,57
	106. Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply . . .	45,18	..	45,18
	108. Miscellaneous Expenditure under the Parliament Secretariat	30	..	30
TOTAL.—MISCELLANEOUS		19,62,24	—1,71,73	17,90,51
58. Defence Services, Effective—Army.	12. Defence Services, Effective—Army	159,66,89	—6,71,78	1,52,95,11
59. Defence Services, Effective—Navy	13. Defence Services, Effective—Navy.	12,17,88	—3,50	12,14,38
60. Defence Services, Effective—Air Force	14. Defence Services, Effective—Air Force.	35,90,45	..	35,90,45
60A. Defence Services, Non-Effective.	15. Defence Services, Non-Effective Charges. . . .	15,71,87	—23,69	15,48,18
61. Grants-in-aid to States	39. Grants-in-aid to States .	32,44,90	..	32,44,90
62. Miscellaneous Adjustments between the Union and State Governments.	40. Miscellaneous Adjustments between the Union and State Governments . .	2,76	..	2,76
63. Extraordinary Charges	41. Extraordinary Payments .	23,09,21	—86,00	22,23,21

(*a*) See also head XLVIA on page 151.

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (i.e. amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
B. Community Development Projects.	90. Kutch	4,00	—75	3,25
	91. Bilaspur	16,23,	—75	15,48
	92. Manipur	11,90	—75	11,15
	93. Tripura	7,50	—75	6,75
TOTAL—COMMUNITY DEVELOPMENT PROJECTS		39,63	—3,00	36,63
64B. Civil Defence	69. Civil Defence	1,20	..	1,20
64C. Pre-partition Payments.	42. Pre-partition Payments	1,36,00	.	1,36,00
	TOTAL	5,77,05,39	—97,13,25	4,79,92,14
Add—Railway Expenditure as per Railway Budget		49,03,22	..	49,03,22
TOTAL—EXPENDITURE MET FROM REVENUE		626,08,61	—97,13,25	5,28,95,36
	Drawbacks and *ex-gratia* payments of import and Union excise Duties :			
	I. Customs	58,00	..	58,00
	II. Union Excise	1,00,00	..	1,00,00
Irrigation, etc. works				
XVII. Works for which Capital Accounts are kept—*Deduct*—WORKING EXPENSES	90. Kutch	2,35	..	2,35
Posts and Telegraphs				
XIX. Posts and Telegraphs *Deduct*—Working Expenses.	6. Indian Posts and Telegraphs Departments	46,51,92	—4,33,13	42,18,79
Civil works and Miscellaneous Public Improvements.				
XLI. Receipts from Electricity Schemes—*Deduct*—Working Expenses.	90. Kutch	3,60	..	3,60
	92. Manipur	1,07	..	1,07
	93. Tripura	2,00	..	2,00
TOTAL.—RECEIPTS FROM ELECTRICITY SCHEMES		6,67	..	6,67
Miscellaneous				
XLVI. A. Receipts from Road and Water Transport Schemes—*Deduct*—WORKING EXPENSES	92. Manipur	8,02	..	8,02
	TOTAL	48,26,96	—4,33,13	43,93,83
	GRAND TOTAL	6,74,35,57	—1,01,46,38	5,72,89,19
	Deduct—Railway Expenditure as shown above	49,03,22	..	49,03,22
TOTAL—Expenditure met from Revenue as shown in Demands for Grants		6,25,32,35	—1,01,46,38	5,23,85,97

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (i.e. amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
II. Capital Account not met from Revenue—				
65-A Capital Outlay on Forests	122. Capital Outlay on Forests	43,07	—18,81	24,26
	134. Capital Outlay of the Ministry of States . . .	4,50	..	4,50
TOTAL—CAPITAL OUTLAY ON FORESTS .		47,57	—18,81	28,76
66. Capital Outlay on the Security Printing Press	115. Capital Outlay on the India Security Press	5,21	..	5,21
68. Construction of Irrigation. Navigation, Embankment and Drainage Works. .	134 Capital Outlay of the Ministry of States	25,00	..	25,00
69. Capital Outlay on Posts and Telegraphs .	111. Capital Outlay on Indian Posts and Telegraphs . .	16,33,73	—4,40,11	11,93,62*
71. Capital Outlay on Schemes of Agricultural Improvement & Research.	124. Other Capital Outlay of the Ministry of Food and Agriculture	1,72,56	—47,00	1,25,56
72. Capital Outlay on Industrial Development.	110. Capital Outlay of the Ministry of Commerce and Industry	40,00	..	40,00
	113. Other Capital Outlay of the Ministry of Communications	7,32,37	—1,03	7,31,34
	131. Capital Outlay of the Ministry of Natural Resources and Scientific Research .	1,05,00	..	1,05,00
	132. Capital Outlay of the Ministry of Production .	14,43,79	—16,55	14,27,24
	133. Capital Outlay of the Ministry of Rehabilitation	7,50	..	7,50
	134. Capital Outlay of the Ministry of States . .	6,00	..	6,00
	137. Capital Outlay of the Ministry of Transport .	92,50	..	92,50
TOTAL—CAPITAL OUTLAY ON INDUSTRIAL DEVELOPMENT .		24,27,16	—17,58	24,09,58

*Differs from the figures shown in the Budget statement on account of credits to capital (Rs. 45,00).

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.* amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
72. A. Capital Outlay on Civil Aviation.	112. Capital Outlay on Civil Aviation . . .	3,40,00	— 6,20	3,33,80
72-B. Capital Outlay on Broadcasting . .	127. Capital Outlay on Broadcasting	2,00,00	—75,43	1,24,57
73. Capital Outlay on Ports.	135. Capital Outlay on Ports.	4,80,02	— 5,02	4,75,00
	Included in Railway Budget for Vizagapatam Port . .	56,14		56,14
TOTAL—CAPITAL OUTLAY ON PORTS .		5,36,16	—5,02	5,31,14
77. Currency Capital Account Outside the Revenue Account	116. Capital Outlay on Currency	2,71	.	2,71
77-A. Capital Outlay on Mints.	117. Capital Outlay on Mints .	71,73		71,73
78. Initial Expenditure on New Capital at Delhi.	138. New Delhi Capital Outlay	6,62,16	- 54,60	6,07,56
80-A. Capital Outlay on Multi-purpose River Schemes.	128. Capital Outlay on Multi-purpose River Schemes .	3,98,85	—4,99	3,93,86
81. Capital Outlay on Civil Works.	136. Capital Outlay on Roads.	13,70,80	—38,50	13,32,30
	139. Capital Outlay on Buildings	11,74,64	—1,95	11,72,69
TOTAL—CAPITAL OUTLAY ON CIVIL WORKS . .		25,45,44	—40,45	25,04,99
81-A. Capital Outlay on Electricity Schemes.	126. Capital Outlay of the Ministry of Home Affairs .	1,77	..	1,77
	134. Capital Outlay of the Ministry of States . . .	74,64	..	74,64
TOTAL—CAPITAL OUTLAY ON ELECTRICITY SCHEMES .		76,41	..	76,41
82. B. Capital Outlay on Road and Water Transport Schemes .	134. Capital Outlay of the Ministry of States . .	9,16	..	9,16
83. Payments of Commuted Value of Pensions .	119. Commuted Value of Pensions	94,05	—67,84	26,21
83-A. Capital Outlay on Sterling Pensions .	Capital Outlay on Sterling Pensions.	..	—7,05,17	—7,05,17
83-B. Capital Outlay on payments to Displaced Persons.	133. Capital Outlay of the Ministry of Rehabilitation	4,00,00	..	4,00,00
85. Payments to Retrenched Personnel. . .	119. Payments to Retrenched Personnel . . .	1,08	—2,17	—1,09

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.* amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
86. Defence Capital Outlay	114. Defence Capital Outlay	20.05,00	—2,30,00	17.75,00
87. Capital Outlay on Schemes of Government Trading.	110. Capital Outlay of the Ministry of Commerce and Industry	21,17,03	—18,89.27	2,27,76
	112. Capital Outlay on Civil Aviation	6.20	—6.20	..
	113. Other Capital Outlay of the Ministry of Communications	1,03	—1.03	..
	120. Other Capital Outlay of the Ministry of Finance	16,20,23	-16.20.23	..
	123. Purchases of Food grains	65.14.00	—64.22,00	92,00
	124. Other Capital Outlay of the Ministry of Food and Agriculture	48,51,22	—54.60.95	—6.09.73
	125. Capital Outlay of the Ministry of Health	6,37.73	—6.36.55	1,18
	126 Capital Outlay of the Ministry of Home Affairs	21.20	—21.29	—9
	129. Other Capital Outlay of the Ministry of Irrigation and Power	5.05	—5,88	—83
	130. Capital Outlay of the Ministry of Labour	2,00	—2.00	..
	131. Other Capital Outlay of the Ministry of Natural Resources and Scientific Research	31.13	—31.13	
	132. Capital Outlay of the Ministry of Production	6,28	- 28.02	—21,74
	134. Capital Outlay of the Ministry of States	2.40.88	- 2.39.38	1,50
	140. Other Capital Outlay of the Ministry of Works, Housing and Supply	7,81	—8,90	— 1,09
TOTAL—CAPITAL OUTLAY ON SCHEMES OF GOVERNMENT TRADING		1,60,61,79	—1,63,72,83	—3,11,04
88. Grants to States for Development.	120. Other Capital Outlay of the Ministry of Finance	6.00.00	..	6,00,00
	134. Capital Outlay of the Ministry of States	4.00,00	..	4.00,00
	140. Other Capital Outlay of the Ministry of Works, Housing and Supply	6,00,00	..	6.00,00
	TOTAL—GRANTS TO STATES, ETC.	16,00.00	..	16.00,00
TOTAL—CAPITAL ACCOUNT NOT MET FROM REVENUE		2,93,15.77	—1,80,88,20	1,12,27,57
Add—Railway Capital as shown in Railway Budget		33,92.55	..	33,92,55
Deduct—P.&.T. Credits to Capital		—45,00	..	— 45,00
	TOTAL—CAPITAL	3,26,63,32	—1,80,88,20	1,45,75,12

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand		Amount: Gross expenditure (*i.e.* amount of Demand)	Amount: Recoveries taken in reduction of expenditure in the Budget	Amount: Net expenditure shown in the Budget
D. Statement of Capital Disbursements of the Central Government.					
Loans and Advances by the Central Government		122. Loans and Advances by the Central Govt.	2,49,00,12	—41,15,03	2,07,85,09
Advances to State Governments	1,77,26,17				
Other Loans & Advances	30,58,92				
	2,07,85,09				
Public Debt.					
A. Debt raised in India—					
I. Rupee Debt . . .	49,76,00	Repayment of Debt.	17,73,14,64	..	17,73,14,64
II. Floating Debt .	17,20,13,00				
B. Debt raised in England	1,53,67				
C. Other Debt . . .	1,71,97				
	17,73,14,64				

ANNEXURE X

Statement showing the distribution of the Budget Estimates for 1954-55 under broad categories of Civil Expenditure met from revenue

	(In lakhs of Rs.)
PAY OF OFFICERS	10,46
PAY OF ESTABLISHMENTS	36,84
DEARNESS ALLOWANCES	11,97
DEARNESS PAY	10,82
HOUSE RENT AND OTHER ALLOWANCES	12,33
CONTINGENCIES	18,22
INTEREST CHARGES INCLUDING REDUCTION OR AVOIDANCE OF DEBT	88,73
PENSIONS INCLUDING PRIVY PURSES	9,10
GRANTS-IN-AID TO STATES AND OTHERS	55,54
CIVIL WORKS INCLUDING COMMUNICATIONS WORKS AND CENTRAL ROAD FUND	23,05
STATES SHARE OF UNION EXCISE DUTIES	16,29
EXPENDITURE ON DISPLACED PERSONS	10,24
OTHER EXPENDITURE	98,26
TOTAL .	4,01,85

NOTES

(*i*) Figures of dearness allowance and dearness pay where they cannot be segregated have been included under " House rent and other Allowances ".

(*ii*) Dearness and other allowances of staff paid from contingencies are included under ' Contingencies '.

ANNEXURE XI

Note on certain interim relief schemes for displaced persons.

As a result of an agreement with Pakistan in April 1949, a Central Claims Organisation was set up under the Ministry of Rehabilitation to deal with the claims in respect of the provident fund, leave salary, pensions and security deposits, etc. of displaced persons and to facilitate their speedy settlement. As the pace of verification and acceptance by the Governments or Local Bodies in Pakistan was, however, very slow, a fresh agreement was entered into, under which it was agreed that the concession of provisional payments on behalf of Pakistan should be made to the following categories of persons on rough and ready verification:—

(i) Displaced Government servants and employees of Local Bodies whose pensions have been sanctioned by the respective competent authorities in West Pakistan.

(ii) Central Government servants who opted finally for one country and subsequently migrated to the other and whose pensions have been sanctioned by the respective competent authorities.

(iii) Displaced Government servants and employees of Local Bodies who had claims in West Pakistan relating to their provident fund.

In the case of displaced persons falling under categories (i) and (ii), full pensions are being paid on a provisional basis. With regard to those under category (iii), 50 per cent. of the amount of the provident fund is being paid on rough scrutiny of the claims. An expenditure of Rs. 6 lakhs is likely to be incurred on account of provisional payments during the current year. The expenditure for the year 1954-55 is estimated to be Rs. 7 lakhs.

Interim Relief Scheme.

This scheme has been introduced by the Government of India to mitigate the hardships to the categories of persons mentioned below who have no other source of livelihood.

(i) *Government servants and employees of Local Bodies in West Pakistan whose pensions were due but not sanctioned.*

50 per cent. of the pension due, subject to a maximum of Rs. 150 p.m., is allowed in these cases.

(ii) *Survivors of the victims of the Quetta earthquake who were in receipt of allowances in West Pakistan.*

Full allowance, which the claimants were in receipt of in Pakistan, is paid to these persons.

(iii) *Court of Wards.*

The Government of India have agreed to grant suitable interim relief to those displaced wards whose estates were under the control of Court of Wards in West Pakistan. The relief varies from Rs 25 to Rs. 250 depending on the extent of the estate.

(iv) *Scheme for relief to persons who had Post Office Savings Bank Accounts, Cash Certificates; and Postal Life Insurance Policies in West Pakistan.*

This scheme envisages relief to persons who could not transfer their Savings Bank accounts and Cash Certificates to India by the prescribed dates. Such persons are eligible for monthly allowances at the rate of Rs. 75 to Rs. 100 per month or half the total deposit whichever is less.

(v) *Interim relief to displaced persons who had Post Office Savings Bank Accounts, Postal Cash Certificates, and Postal Insurance Policies in Pakistan but had not registered their claims in Post Offices in India by the prescribed date.*

Relief is to be paid at the usual rates applicable to the persons mentioned in category (iv).

(vi) *Persons who were killed and injured during the communal disturbances at the time of partition of the country.*

These persons are entitled to get relief at the rates fixed by the Punjab Government to displaced persons of their State.

(vii) *Family pensions (relief) to the dependents of the undivided Provinces, Government servants, and servants of States, who died before partition and were eligible for family pension in Pakistan.*

These persons will also be entitled to relief proposed to be paid at the rate of family pensions sanctioned in pre-partition days. The cases where family pension was due but not sanctioned, are governed by the rates and conditions prescribed by Punjab Government to displaced persons of their State.

The total estimated expenditure during the year 1954-55 under the above seven categories will be Rs. 4,60,400.

GIPD—DME—79 M of Fin.—12-4-55—300